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PUBLIC SERVICE COMMISSION  
OF WISCONSIN

Classes A and B

2004 APR -11 A 9:48

RECEIVED

**PRIVATE UTILITY  
ANNUAL REPORT  
OF**

NAME	<b>Wisconsin Gas Company</b>
PRINCIPAL OFFICE	<b>231 W. Michigan St. Milwaukee, Wisconsin 53203</b>
FOR THE YEAR ENDED	<b>December 31, 2003</b>

**ELECTRIC, WATER, OR GAS UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN**

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

*This form is required under Section 196.07, Wis. Stats. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Section 196.66, Wis. Stats. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

## GENERAL RULES FOR REPORTING

1. Prepare the report in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin.
2. The original copy filed with the Commission must be typed with a black ribbon on the original forms supplied by the Commission unless other forms have been preapproved.
3. Numeric items may contain digits (0-9), a decimal point, and a minus sign "-". Parentheses may also be used to indicate negative values.
4. The annual report should be complete in itself in all particulars. Reference to returns of former years or to other reports should not be made to take the place of required entries except as otherwise specifically authorized.
5. Where information called for herein is not given, state fully the reason for its omission. If the answer to any query is "none" or if any of the schedules are not applicable to the reporting utility, the word "none" should be filled in the space provided for answer or the words "not applicable" should be written across space on the schedules for amounts.
6. If more than one page is required to complete a schedule, type "1" after "Copy" on the top of the first page. Type consecutive numbers beginning with "2" after "Copy" on the following identical pages.
7. Do not modify account titles. If it is necessary or desirable, insert additional statements for the purpose of further explanation of schedules. Each insert sheet should bear the title of the schedule to which it pertains.
8. Whenever schedules call for data from the previous year, the data reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different data were used.
9. Where part or all of the report is prepared by other than utility personnel, a disclosure should be included in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
10. The four digit ID number at the top of the page must be typed along with the year of the report and the copy number. Contact the Commission, if you don't know your ID number.

## Wisconsin Gas Company

## To The Reader:

The attached supplemental page included with this Wisconsin Gas Company PSCW annual report identifies the various income statement and balance sheet accounts related to purchase accounting entries resulting from Wisconsin Energy Corporation's acquisition of WICOR on April 26, 2000. The supplemental page further identifies the PSCW report pages that would change if the purchase accounting entries in these accounts were to be removed, and the amount of the debit or credit adjustment for such removal for the last two years. Reporting the purchase accounting entries in this manner maintains consistency between the unadjusted PSCW annual report pages and the company's accounting systems and records which will facilitate any future accounting or regulatory audits that need to reconcile to the company's actual data, yet provides the necessary detail to determine the on-going impact of the purchase accounting entries wherever there is a need to do so.

WGC  
2002-2003 Purchase Accounting Amounts

Account Income Statement	Description	Account Title	PSC Pages Changed	2003 DB (CF)	2002 DB (CF)
425	Goodwill Amortization	Other Income/Expense	Page 117	-	-
425	Goodwill Adjustment (Impairment)	Other Amortization	Page 117	-	295,000,000
430	MOB Write down	Other Interest Expense	Page 117	-	-
926	Debt Pushdown Interest	Employee Pensions & Benefits	Page 115, G-9, F-51	(11,317,992)	(11,317,992)
926	Amort Reg Liability				
409	Purchase Act Fed Tax Impact	Income Taxes - Federal	Page 115, G3, F37A38	-	-
409	Purchase Act State Tax Impact	Income Taxes - Other	Page 115, G3, F37A38	-	-
410	Purchase Act Fed Del Tax Impact	Income Taxes - Deferred-Federal	Page 115, G3, F37A38	3,961,200	3,961,200
410	Purchase Act State Del Tax Impact	Income Taxes - Deferred-Other	Page 115, G3, F37A38	581,200	581,200
	Total			(6,775,492)	286,224,408
		Prior Year Income		297,312,581	9,088,173
		Total Effect on RE		290,537,089	297,312,581
Balance Sheet					
114	MOB Fixed Asset Write Up	Utility Plant	Page 110	-	-
174		Misc Current Accrued Assets (Vacation)	Page 110	(1,312,300)	(1,312,300)
184		Misc Clearing Account (Vacation)	Page 111	(705,509)	(705,509)
188	Post-Retirement Medical	Misc Deferred Debits	Page 111, 233	60,129,000	60,129,000
188	Prepaid Pension	Misc Deferred Debits	Page 111, 233	169,631,000	169,631,000
188	Goodwill	Misc Deferred Debits	Page 111, 233	166,071,345	166,071,345
188	Goodwill Accumulated Amort	Misc Deferred Debits	Page 111, 233	(19,182,800)	(19,182,800)
190	Account Def Inc Taxes - Federal	Account Def Income Tax Current	Page 111, 234, 235	-	(776,100)
190	Account Def Inc Taxes - State	Account Def Income Tax Current	Page 111, 234, 235	-	(113,900)
190	Current Deferred Taxes - Federal	Account Def Income Tax Current	Page 111, 234, 235	565,280	2,096,050
190	Current Deferred Taxes - State	Account Def Income Tax Current	Page 111, 234, 235	82,925	307,525
211	Paid In Capital	Other Paid In Capital	Page 112	(451,912,000)	(451,912,000)
215	Minimum Pension Liability	Capital Stock Expense	Page 112	(1,536,000)	(1,536,000)
216	Retained Earnings	Retained Earnings	Page 112	290,537,089	297,312,581
221	Long Term Debt	Bonds	Page 112	6,386,992	7,854,995
232	Short Term Borrowing Needs	Accounts Payable to Assoc Co (234)	Page 112	(5,837,969)	(6,613,655)
233	Additional Debt	A/P to Associated Co.	Page 112	-	-
236	FIT Liability	Taxes Accrued	Page 112	-	-
236	SIT Liability	Taxes Accrued	Page 112	-	-
242	Severance Benefits	Misc Current Liabilities	Page 112, F34	-	-
242	Merger Accruals	Misc Current Liabilities	Page 112, F34	-	-
253	WICOR Deferred Directors Liability	WICOR Deferred Directors Liability	Page 113	(716,345)	(716,345)
253	Supplemental Pension	Other Deferred Credits	Page 113	(1,472,000)	(1,472,000)
254	Reg Liability - Pension	Other Deferred Credits	Page 113	(1,969)	(206,660)
254	Reg Liability - OPEB Medical	Other Deferred Credits	Page 113	(82,932,008)	(80,141,004)
254	Reg Liability - LTD	Other Deferred Credits	Page 113	(45,439,008)	(49,439,004)
254	Reg Liability - LTD	Other Deferred Credits	Page 113	(6,386,992)	(7,854,995)
282	Acc Def Inc Tax-Fed	Acc Def Inc Tax-Fed-Purch Actg-Prop	Page 113, 275	-	(350,000)
282	Deferred Income Taxes	Acc Def Inc Tax-St-Purch Actg-Prop	Page 113, 275	-	(61,350)
283	Deferred Taxes - Federal	Accum Def Income Tax	Page 113, 276, 277	(13,933,542)	(9,494,646)
283	Deferred Taxes - State	Accum Def Income Tax	Page 113, 276, 277	(2,044,249)	(1,384,239)
	Deferred Income Taxes	Accum Def Income Tax	Page 113	-	-
	Total			-	-

Please note highlighted changes to the 2002 Balance Sheet Adjustments



Name of Respondent	This Report Is:	Date of Report	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/29/04	December 31, 2003
TABLE OF CONTENTS			
Title of Schedule	Page No.	Notes	Remarks
Identification and Attestation	1		
General Information	101		
Control Over Respondent	102		
Corporations Controlled by Respondent	103		Nothing to Report
Officers	104	X	
Directors	105	X	
Security Holders and Voting Powers	106		
Important Changes During the Year	108		
Comparative Balance Sheet	110-113		
Statement of Income for the Year	114-116		
Statement of Accumulated Comprehensive Income and Hedging Activities	117-117a		
Statement of Retained Earnings for the Year	118-119		
Statement of Cash Flows	120-120a		
Notes to Financial Statements	122		
Summary of Utility Plant & Accum. Prov. for Depreciation, Amortization and Depletion	200-201		
Gas Plant in Service	204-207		
Gas Plant Leased to Others - Acct 104	213		Nothing to Report
Gas Plant Held for Future Use - Account 105	214		Nothing to Report
Production Properties Held for Future Use - Account 105.1	215	X	Nothing to Report
Construction Work in Progress - Gas - Acct 107	216		
Construction Overheads - Gas	217	X	
General Description of Construction Overhead Procedure	218		
Gas Stored - Accts 117, 164.1, 164.2 & 164.3	220		
Non-Utility Property - Acct 121	221	X	
Prepayments	230a		
Extraordinary Property Losses - Acct 182.1	230b		
Unrecovered Plant & Regulatory Study Costs - Account 182.2	230c		Nothing to Report
Other Regulatory Assets - Acct 182.3	232		
Miscellaneous Deferred Debits - Acct 186	233		
Accumulated Deferred Income Taxes - Acct 190	234-235		
Capital Stock - Accts 201 & 204	250-251		
Capital Stock Subscribed, etc - Accts 202.3, 205-7 & 212	252		Nothing to Report
Other Paid in Capital - Accts 208-211	253		
Discount on Capital Stock - Account 213	254		Nothing to Report
Capital Stock Expense - Acct 214	254		Nothing to Report
Long-term Debt - Accts 221-224	256-257		
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261		
Accumulated Deferred Investment Tax Credits - Acct 255	266-267	X	
Other Deferred Credits - Acct 253	269		
Accum. Deferred Inc. Taxes - Accel. Amort. Prop. - Acct 281	272-273	X	Nothing to Report
Accum. Deferred Inc. Taxes - Other Property - Acct 282	274-275		
Accum. Deferred Inc. Taxes - Other - Acct 283	276-277		
Other Regulatory Liabilities - Acct 254	278		
Research, Development, & Demonstration Activities - Acct 188	352-353	X	
Distribution of Salaries and Wages	354-355		
X = page not listed in FERC Form 2 Index			

**INTENTIONALLY LEFT BLANK**

## ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES

## IDENTIFICATION

01 Exact Legal Name of Respondent

Wisconsin Gas Company

02 Year of Report

Dec. 31, 2003

03 Previous Name and Date of Change (If name changed during year)

04 Address of Principal Office at End of Year (Street, City, State, Zip Code)

231 West Michigan Street, Milwaukee, WI 53203

05 Name of Contact Person

Steven J. Bain

06 Title of Contact Person

Manager - External Reporting

07 Address of Contact Person (Street, City, State, Zip Code)

231 West Michigan Street, Milwaukee, WI 53290-0001

08 Telephone of Contact Person, Including Area Code

414-221-2977

This Report Is:

(1) ☒ An Original(2) ☐ A Resubmission

10 Date of Report

(Mo, Da, Yr)

03/29/2004

## ATTESTATION

The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.

11 Name

Stephen P. Dickson

12 Title

Controller

13 Signature



14 Date Signed

03/29/2004

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.



Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
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**General Information**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Stephen P. Dickson  
 Controller  
 231 West Michigan Street  
 Milwaukee, Wisconsin 53203

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Wisconsin - March 27, 1852

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Natural Gas  
 Wisconsin Gas Company is engaged in the purchase, distribution and sale of natural gas in Wisconsin.

Water  
 Wisconsin Gas Company is engaged in the distribution and sale of water in Wisconsin.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) ☐ Yes... Enter the date when such independent accountant was initially engaged:  
 (2) ☒ No



Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
OFFICERS			
1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policymaking functions.		2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and date the change in incumbency was made.  3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.	
Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chairman of the Board	Richard A. Abdoo (1)	\$76,714
2	President & Chief Executive Officer	Gale E. Klappa (1) (2)	103,528
3	President & Chief Operating Officer	Richard R. Grigg (1) (3)	149,311
4	Chief Financial Officer and Executive Vice President	Paul Donovan (1) (4) (8)	0
5	Chief Financial Officer	Allen L. Leverett (1) (5) (8)	0
6	Senior Vice President and General Counsel	Larry Salustro (1)	58,391
7	Vice President - State Regulatory Affairs	Roman Draba (1) (8)	0
8	Vice President - Customer Relations	Walter J. Kunicki (1) (6) (8)	0
9	Vice President & Corporate Secretary	Kristine A. Rappe (1) (8)	0
10	Vice President - Human Resources	Arthur A. Zintek (1) (8)	0
11	Controller	Stephen P. Dickson (1) (8)	0
12	Treasurer	Jeffrey P. West (1) (8)	0
13	Assistant Vice President - Legal Affairs	Sally R. Bentley (1)	50,196
14	Assistant Vice President - Business Continuity Planning	Joyce Feaster (1) (7) (8)	0
15	Assistant Vice President - Tax	Ralph W. Kane (1) (8)	0
16	Assistant Vice President - Customer Services	Joan M. Shafer	53,089
17	Assistant Corporate Secretary	Keith H. Ecke (1) (8)	0
18	Assistant Treasurer	Dennis J. Masticola (1) (8)	0
19	Assistant Treasurer	James A. Schubilske (1) (8)	0
20			0
21			0
22			0
23			0
24	(1) Officer received compensation from Wisconsin Energy and/or its other affiliated companies		
25	(2) Gale E. Klappa hired 04/14/2003, appointed President and Chief Executive Officer 08/01/2003		
26	(3) Richard A. Grigg relinquished President and Chief Operating Officer position 07/31/2003		
27	(4) Paul Donovan relinquished Chief Financial Officer and Executive Vice President positions 06/30/2003		
28	(5) Allen L. Leverett hired 07/01/2003 as Chief Financial Officer		
29	(6) Walter J. Kunicki appointed Vice President of Customer Relations 07/01/2003		
30	(7) Joyce Feaster relinquished Assistant Vice President - Human Resources position 08/29/2003, appointed Assistant Vice President - Business Continuity Planning 09/01/2003		
31			
32	(8) Officer received less than \$50,000 of compensation from WG		
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Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
DIRECTORS			
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent. 2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.			
Name (and Title) of Director (a)		Principal Business Address (b)	
Richard A. Abdoo** Chairman of the Board		231 W. Michigan Street Milwaukee, WI 53203	
John F. Ahearne		231 W. Michigan Street Milwaukee, WI 53203	
John F. Bergstrom*		231 W. Michigan Street Milwaukee, WI 53203	
Barbara L. Bowles *		231 W. Michigan Street Milwaukee, WI 53203	
Robert A. Cornog*		231 W. Michigan Street Milwaukee, WI 53203	
Willie D. Davis		231 W. Michigan Street Milwaukee, WI 53203	
Gale E. Klappa President & CEO		231 W. Michigan Street Milwaukee, WI 53203	
Ulice Payne, Jr.		231 W. Michigan Street Milwaukee, WI 53203	
Frederick P. Stratton, Jr.*		231 W. Michigan Street Milwaukee, WI 53203	
George E. Wardeberg		231 W. Michigan Street Milwaukee, WI 53203	
Note 1: ----- Richard A. Abdoo, Chairman of the Board and Chief Executive Officer of Wisconsin Energy and Chairman of the Board of Wisconsin Electric and Wisconsin Gas, has indicated his intent to retire from all officer and director positions with Wisconsin Energy and its subsidiaries and to retire as an employee, effective as of April 30, 2004. Gale E. Klappa, current Wisconsin Energy and President and Chief Executive Officer of Wisconsin Electric and Wisconsin Gas, has been appointed to the officer positions held by Mr. Abdoo. Accordingly, effective May 1, 2004, Mr. Klappa will hold the titles of Chairman of the Board, President and Chief Executive Officer of Wisconsin Energy, Wisconsin Electric and Wisconsin Gas.			



Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) March 29, 2004	Year of Report December 31, 2003	
<b>SECURITY HOLDERS AND VOTING POWERS</b>				
<p>1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.</p> <p>2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.</p> <p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.</p> <p>4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.</p>				
<p>1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p>Stock books are not closed; record data for dividends and other purposes are established by Board resolution.</p>		<p>2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy</p> <p>Total: N/A</p> <p>By proxy:</p>		
		<p>3. Give the date and place of such meeting:</p> <p>N/A</p>		
<b>VOTING SECURITIES</b>				
Line No.	Name (Title) and Address of Security Holder (a)	Number of votes as of (date): December 31, 2003		
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)
				OTHER (e)
4	TOTAL votes of all voting securities	1,125	1,125	
5	TOTAL number of security holders	1	1	
6	TOTAL votes of security holders listed below	1,125	1,125	
7	1. WICOR, Inc.	1,125	1,125	
8	231 W. Michigan Street			
9	Milwaukee, WI 53203			
10				
11				
12				
13				
14	Note: WICOR, Inc., a holding company, owned all			
15	of the outstanding common stock of			
16	Wisconsin Gas Company on April 26, 2000,			
17	the effective date of the merger of WICOR, Inc. and			
18	Wisconsin Energy Corporation, a diversified holding			
19	company. WICOR, Inc. is a wholly owned subsidiary of			
20	Wisconsin Energy Corporation. Wisconsin Gas Company			
21	is an indirect subsidiary of Wisconsin Energy Corp.			
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
Important Changes During the Year			

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
  2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
  3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
  4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
  5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.
- Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
  7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
  8. State the estimated annual effect and nature of any important wage scale changes during the year.
  9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
  10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
  11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.

1. One Franchise Application for Towns of Dallas (Barron County), Hay River (Dunn County), Maple Grove (Barron County), Otter Creek (Dunn County) and Wilson (Dunn County) and the Village of Dallas (Barron County).
2. None.
3. None.
4. None.
5. On March 31, 2003, WG received authority on the amended final decision under Docket No. 6650-CG-194 to construct, install and place in service the approximately 36 mile natural gas pipeline in Jefferson, Waukesha and Washington Counties, from Ixonia to gate stations in Brookfield and Germantown with approved revised cost estimates and revised construction practices from conditions required by Department of Natural Resources permits.

On April 8, 2003, WG received authority under Docket 6650-CG-212 to replace 26,330 feet of gas main with 30,025 feet of new main in the City of Glendale and Villages of Fox Point and Bayside in Milwaukee County. This project was necessary due to the reconstruction and widening of Port Washington Road from Good Hope Road to Laramie Lane.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
Important Changes During the Year			

On November 21, 2003, WG received authority on an amended final decision under Docket No. 6650-CG-211 for changes in cost and modified construction practices from conditions required by the Department of Natural Resources and agricultural mitigation measure for the 16.5 mile high-pressure natural gas line in Washington and Ozaukee Counties.

6. Wisconsin Gas Company issued commercial paper during 2003. \$133.1 million was outstanding as of December 31, 2003.
7. During calendar 2003, the articles of incorporation and bylaws of Wisconsin Gas Company were amended and restated. The purpose of this amendment and restatement was to eliminate certain outdated provisions and to make the bylaws and articles of incorporation consistent with other Wisconsin Energy Corporation affiliates.
8. None
9. None.
10. None

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Comparative Balance Sheet (Assets and Other Debits)</b>					
Line No.	Title of Account  (a)	Reference Page Number  (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)	
1	<b>UTILITY PLANT</b>				
2	Utility Plant (101-106, 114)	200-201	1,035,025,468	947,245,780	
3	Construction Work in Progress (107)	200-201	7,747,946	24,794,157	
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	1,042,773,414	972,039,937	
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		532,731,713	550,380,163	
6	Net Utility Plant (Total of line 4 less 5)		510,041,701	421,659,774	
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)		0	0	
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)		0	0	
9	Nuclear Fuel (Total of line 7 less 8)		0	0	
10	Net Utility Plant (Total of lines 6 and 9)		510,041,701	421,659,774	
11	Utility Plant Adjustments (116)	122	0	0	
12	Gas Stored-Base Gas (117.1)	220	0	0	
13	System Balancing Gas (117.2)	220	0	0	
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220	0	0	
15	Gas Owned to System Gas (117.4)	220	0	0	
16	<b>OTHER PROPERTY AND INVESTMENTS</b>				
17	Nonutility Property (121)		399,723	448,139	
18	(Less) Accum. Provision for Depreciation and Amortization (122)		280,332	280,487	
19	Investments in Associated Companies (123)	222-223	0	0	
20	Investments in Subsidiary Companies (123.1)	224-225	0	0	
21	(For Cost of Account 123.1 See Footnote Page 224, line 40)				
22	Noncurrent Portion of Allowances		0	0	
23	Other Investments (124)	222-223	0	0	
24	Special Funds (125 thru 128)		11,594,285	10,717,014	
25	TOTAL Other Property and Investments (Total of lines 17-20, 22-24)		11,713,676	10,884,666	
26	<b>CURRENT AND ACCRUED ASSETS</b>				
27	Cash (131)		930,040	1,181,276	
28	Special Deposits (132-134)		13,275	13,075	
29	Working Funds (135)		1,900	3,025	
30	Temporary Cash Investments (136)	222-223	200,000	200,000	
31	Notes Receivable (141)		0	0	
32	Customer Accounts Receivable (142)		85,111,904	82,028,969	
33	Other Accounts Receivable (143)		22,675,314	21,367,650	
34	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		21,333,439	19,467,375	
35	Notes Receivable from Associated Companies (145)		0	0	
36	Accounts Receivable from Associated Companies (146)		210,132	0	
37	Fuel Stock (151)		47,117	51,976	
38	Fuel Stock Expenses Undistributed (152)		0	0	
39	Residuals (Elec) and Extracted Products (Gas) (153)		0	0	
40	Plant Materials and Operating Supplies (154)		4,613,144	4,751,022	
41	Merchandise (155)		17,978	27,877	
42	Other Materials and Supplies (156)		0	0	
43	Nuclear Materials Held for Sale (157)		0	0	



Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Comparative Balance Sheet (Liabilities and Other Credits)</b>					
Line No.	Title of Account  (a)	Reference Page Number  (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)	
1	<b>PROPRIETARY CAPITAL</b>				
2	Common Stock Issued (201)	250-251	9,000	9,000	
3	Preferred Stock Issued (204)	250-251	0	0	
4	Capital Stock Subscribed (202, 205)	252	0	0	
5	Stock Liability for Conversion (203, 206)	252	0	0	
6	Premium on Capital Stock (207)	252	0	0	
7	Other Paid-In Capital (208-211)	253	581,536,383	580,425,283	
8	Installments Received on Capital Stock (212)	252	0	0	
9	(Less) Discount on Capital Stock (213)	254	0	0	
10	(Less) Capital Stock Expense (214)	254	0	0	
11	Retained Earnings (215, 215.1, 216)	118-119	( 111,200,785)	( 148,365,447)	
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0	
13	(Less) Reacquired Capital Stock (217)	250-251	0	0	
14	Accumulated Other Comprehensive Income (219)	117	90,369	( 927,790)	
15	<b>TOTAL Proprietary Capital (Total of lines 2 thru 14)</b>		<b>470,434,967</b>	<b>431,141,046</b>	
16	<b>LONG TERM DEBT</b>				
17	Bonds (221)	256-257	278,610,008	152,135,004	
18	(Less) Reacquired Bonds (222)	256-257	0	0	
19	Advances from Associated Companies (223)	256-257	0	0	
20	Other Long-Term Debt (224)	256-257	0	0	
21	Unamortized Premium on Long-Term Debt (225)	258-259	0	0	
22	(Less) Unamortized Discount on Long-Term Debt-Dr (226)	258-259	1,386,521	311,731	
23	(Less) Current Portion of Long-Term Debt		0	0	
24	<b>TOTAL Long-Term Debt (Total of lines 17 thru 23)</b>		<b>277,223,487</b>	<b>151,823,273</b>	
25	<b>OTHER NONCURRENT LIABILITIES</b>				
26	Obligations Under Capital Leases-Noncurrent (227)		0	0	
27	Accumulated Provision for Property Insurance (228.1)		0	0	
28	Accumulated Provision for Injuries and Damages (228.2)		749,015	959,236	
29	Accumulated Provision for Pensions and Benefits (228.3)		787,377	755,302	
30	Accumulated Miscellaneous Operating Provisions (228.4)		6,400,000	0	
31	Accumulated Provision for Rate Refunds (229)		0	0	









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Statement of Income for the Year(continued)					
Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year (in dollars) (c)	Total Previous Year (in dollars) (d)	
27	Net Utility Operating Income (Carried forward from page 114)		46,016,399	46,754,796	
28	<b>OTHER INCOME AND DEDUCTIONS</b>				
29	Other Income				
30	Nonutility Operating Income				
31	Revenues from Merchandising, Jobbing and Contract Work (415)		0	0	
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		( 7,439)	3,241	
33	Revenues from Nonutility Operations (417)		947,188	3,060,660	
34	(Less) Expenses of Nonutility Operations (417.1)		1,124,083	4,216,995	
35	Nonoperating Rental Income (418)		( 3,163)	207,258	
36	Equity in Earnings of Subsidiary Companies (418.1)	119	0	0	
37	Interest and Dividend Income (419)		( 88,286)	77,381	
38	Allowance for Other Funds Used During Construction (419.1)		2,704,505	857,969	
39	Miscellaneous Nonoperating Income (421)		219,708	416,634	
40	Gain on Disposition of Property (421.1)		0	161,270	
41	TOTAL Other Income (Total of lines 31 thru 40)		2,663,308	560,936	
42	Other Income Deductions				
43	Loss on Disposition of Property (421.2)		2,346	2,578,819	
44	Miscellaneous Amortization (425)		0	0	
45	Miscellaneous Income Deductions (426.1 thru 426.5)	340	383,628	596,924	
46	TOTAL Other Income Deductions (Total of lines 43 thru 45)	340	385,974	3,175,743	
47	Taxes Applicable to Other Income and Deductions				
48	Taxes Other than Income Taxes (408.2)	262-263	24,406	18,857	
49	Income Taxes-Federal (409.2)	262-263	( 415,028)	( 1,077,200)	
50	Income Taxes-Other (409.2)	262-263	( 100,000)	( 264,000)	
51	Provision for Deferred Income Taxes (410.2)	234-235	0	0	
52	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	0	0	
53	Investment Tax Credit Adjustments-Net (411.5)		0	0	
54	(Less) Investment Tax Credits (420)		0	0	
55	TOTAL Taxes on Other Income and Deductions (Total of lines 48-54)		( 490,622)	( 1,322,343)	
56	Net Other Income and Deductions (Total of lines 41, 46, 55)		2,767,956	( 1,292,464)	
57	<b>INTEREST CHARGES</b>				
58	Interest on Long-Term Debt (427)		10,242,917	9,863,750	
59	Amortization of Debt Disc. and Expense (428)	258-259	225,043	214,973	
60	Amortization of Loss on Reacquired Debt (428.1)		0	0	
61	(Less) Amortization of Premium on Debt-Credit (429)	258-259	0	0	
62	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		0	0	
63	Interest on Debt to Associated Companies (430)	340	0	0	
64	Other Interest Expense (431)	340	3,269,097	2,722,221	
65	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		1,748,089	554,558	
66	Net Interest Charges (Total of lines 58 thru 65)		11,988,968	12,246,386	
67	Income Before Extraordinary Items (Total of lines 27, 56 and 66)		36,795,387	33,215,946	
68	<b>EXTRAORDINARY ITEMS</b>				
69	Extraordinary Income (434)		0	0	
70	(Less) Extraordinary Deductions (435)		0	295,000,000	
71	Net Extraordinary Items (Total of line 69 less line 70)		0	( 295,000,000)	
72	Income Taxes-Federal and Other (409.3)	262-263	0	0	
73	Extraordinary Items after Taxes (Total of line 71 less line 72)		0	( 295,000,000)	
74	Net Income (Total of lines 67 and 73)		36,795,387	( 261,784,054)	

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Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Statement of Retained Earnings for the Year</b>					
<p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).</p> <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.</p> <p>5. Show dividends for each class and series of capital stock.</p>					
Line No.	Item (a)	Contra Primary Account Affected (b)	Current Year Amount (in dollars) (c)	Previous Year Amount (in dollars) (d)	
	UNAPPROPRIATED RETAINED EARNINGS				
1	Balance-Beginning of Year		( 147,996,172)	113,787,882	
2	Changes (Identify by prescribed retained earnings accounts)				
3	Adjustments to Retained Earnings (Account 439)				
4	TOTAL Credits to Retained Earnings (Account 439) (footnote details)				
5	TOTAL Debits to Retained Earnings (Account 439) (footnote details)				
6	Balance Transferred from Income (Acct 433 less Acct 418.1)		36,795,387	( 251,784,054)	
7	Appropriations of Retained Earnings (Account 436)				
8	TOTAL Appropriations of Retained Earnings (Account 436) (footnote details)				
9	Dividends Declared-Preferred Stock (Account 437)				
10	TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote details)				
11	Dividends Declared-Common Stock (Account 438)				
12	TOTAL Dividends Declared-Common Stock (Account 438) (footnote details)				
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings				
14	Balance-End of Year (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)		( 111,200,785)	( 147,996,172)	
	APPROPRIATED RETAINED EARNINGS (Account 215)				
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)				
	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)				
17	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account			( 369,275)	
18	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines			( 369,275)	
19	TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 1		( 111,200,785)	( 148,365,447)	
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)				
20	Balance-Beginning of Year (Debit or Credit)				
21	Equity in Earnings for Year (Credit) (Account 418.1)				
22	(Less) Dividends Received (Debit)				
23	Other Changes (Explain)				
24	Balance-End of Year				

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Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Statement of Cash Flows</b>				
<p>1. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.</p> <p>2. Under "Other" specify significant amounts and group others.</p> <p>3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.</p> <p>4. Investing Activities: Include at Other (Line 27) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per U.S. of A. General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122.</p>				
Line No.	Description (See Instructions for explanation of codes) (a)	Current Year Amount (b)	Previous Year Amount (c)	
1	Net Cash Flow from Operating Activities			
2	Net Income (Line 72(c) on page 116)	36,795,387	( 261,784,054)	
3	Noncash Charges (Credits) to Income:			
4	Depreciation and Depletion	37,434,591	37,878,174	
5	Amortization of (Specify) (footnote details)	2,036,952	1,904,219	
6	Deferred Income Taxes (Net)	29,284,227	2,293,949	
7	Investment Tax Credit Adjustments (Net)	( 414,317)	( 426,015)	
8	Net (Increase) Decrease in Receivables	( 3,672,811)	( 54,624,441)	
9	Net (Increase) Decrease in Inventory	( 40,801,471)	5,215,753	
10	Net (Increase) Decrease in Allowances Inventory			
11	Net Increase (Decrease) in Payables and Accrued Expenses	( 17,879,608)	33,825,019	
12	Net (Increase) Decrease in Other Regulatory Assets	5,588,677	( 21,642,685)	
13	Net Increase (Decrease) in Other Regulatory Liabilities	( 13,428,613)	( 16,894,848)	
14	(Less) Allowance for Other Funds Used During Construction	2,704,505	857,969	
15	(Less) Undistributed Earnings from Subsidiary Companies			
16	Other (footnote details):	( 20,588,857)	301,189,687	
17	Net Cash Provided by (Used in) Operating Activities			
18	(Total of Lines 2 thru 16)	11,649,652	26,076,789	
19				
20	Cash Flows from Investment Activities:			
21	Construction and Acquisition of Plant (including land):			
22	Gross Additions to Utility Plant (less nuclear fuel)	( 121,720,687)	( 53,235,764)	
23	Gross Additions to Nuclear Fuel			
24	Gross Additions to Common Utility Plant			
25	Gross Additions to Nonutility Plant			
26	(Less) Allowance for Other Funds Used During Construction	1,748,089	554,558	
27	Other (footnote details): Additions to water utility plant			
28	Cash Outflows for Plant (Total of lines 22 thru 27)	( 123,468,776)	( 53,790,322)	
29				
30	Acquisition of Other Noncurrent Assets (d)			
31	Proceeds from Disposal of Noncurrent Assets (d)		12,756,514	
32				
33	Investments in and Advances to Assoc. and Subsidiary Companies			
34	Contributions and Advances from Assoc. and Subsidiary Companies			
35	Disposition of Investments in (and Advances to)			
36	Associated and Subsidiary Companies			
37				
38	Purchase of Investment Securities (a)			
39	Proceeds from Sales of Investment Securities (a)			



Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Statement of Cash Flows (continued)</b>				
Line No.	Description (See Instructions for explanation of codes) (a)	Current Year Amount (b)	Previous Year Amount (c)	
40	Loans Made or Purchased			
41	Collections on Loans			
42				
43	Net (Increase) Decrease in Receivables			
44	Net (Increase) Decrease in Inventory			
45	Net (Increase) Decrease in Allowances Held for Speculation			
46	Net Increase (Decrease) in Payables and Accrued Expenses			
47	Other (footnote details):	( 2,907,963)	( 624,468)	
48	Net Cash Provided by (Used in) Investing Activities			
49	(Total of lines 28 thru 47)	( 126,376,739)	( 41,658,296)	
50				
51	Cash Flows from Financing Activities:			
52	Proceeds from Issuance of:			
53	Long-Term Debt (b)	125,000,000		
54	Preferred Stock			
55	Common Stock			
56	Other (footnote details):	( 1,470,512)		
57	Net Increase in Short-term Debt (c)	( 9,054,762)	13,488,897	
58	Other (footnote details): Tax benefits re: ISO's			
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	114,474,726	13,488,897	
60				
61	Payments for Retirement of:			
62	Long-Term Debt (b)			
63	Preferred Stock			
64	Common Stock			
65	Other (footnote details):			
66	Net Decrease in Short-Term Debt (c)			
67				
68	Dividends on Preferred Stock			
69	Dividends on Common Stock			
70	Net Cash Provided by (Used in) Financing Activities			
71	(Total of lines 59 thru 69)	114,474,726	13,488,897	
72				
73	Net Increase (Decrease) in Cash and Cash Equivalents			
74	(Total of line 18, 49 and 71)	( 252,361)	( 2,092,610)	
75				
76	Cash and Cash Equivalents at Beginning of Year	1,384,301	3,476,911	
77				
78	Cash and Cash Equivalents at End of Year	1,131,940	1,384,301	

Name of Respondent	This Report is:	Date of Report	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/29/2004	Dec 31, 2003
Notes to Financial Statements			

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets.
4. Where Account 189, Unamortized Loss on Recquired Debt, and 257, Unamortized Gain on Recquired Debt, are not used, give an explanation, providing the rate treatment given these item. See General Instruction 17 of the Uniform System of Accounts.
5. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
7. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
8. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
9. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

See attached Notes to the Financial Statements that follow.

Cash and Cash Equivalents - End of Year

Cash (131)	\$930,040
Working Funds (135)	1,900
Temporary Cash Investments (136)	200,000
	<u>\$1,131,940</u>

Cash Paid for:

Interest	\$11,511,026
Income taxes	\$3,785,777

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Notes to Financial Statements			

## WISCONSIN GAS COMPANY

### 2003 10-K FINANCIAL STATEMENT NOTES, MODIFIED FOR REQUIREMENTS OF THE PSCW

#### NOTES TO FINANCIAL STATEMENTS

#### A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**General:** The financial statements include the accounts of Wisconsin Gas Company (Wisconsin Gas or the Company, Our, We or Us), an indirect wholly-owned subsidiary of Wisconsin Energy Corporation (Wisconsin Energy), the oldest and largest natural gas distribution utility in Wisconsin. We are a public utility engaged in the distribution of natural gas throughout Wisconsin. Most of our revenues are derived from gas delivered in southeastern Wisconsin. In addition, we operate a water utility.

On April 26, 2000, Wisconsin Energy acquired WICOR, Inc. (WICOR) in a business combination that was accounted for as a purchase. WICOR was a diversified utility holding company with utility and non-utility energy subsidiaries as well as pump manufacturing subsidiaries. Wisconsin Energy's purchase price for us was allocated down to our financial statements. Following the merger, WICOR and its subsidiaries, including us, became subsidiaries of Wisconsin Energy. In February 2004, Wisconsin Energy announced a planned sale of WICOR to a third party, and one of the conditions of the sale is for Wisconsin Gas to be transferred from WICOR to Wisconsin Energy.

Wisconsin Energy has integrated the gas operations of Wisconsin Electric Power Company (Wisconsin Electric), its wholly-owned electric, gas and steam utility subsidiary, and Wisconsin Gas, as well as many corporate support areas. We believe the transfer of Wisconsin Gas to Wisconsin Energy will facilitate our goal of achieving a legal combination of Wisconsin Gas and Wisconsin Electric.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Reclassifications:** Certain prior year financial statement amounts have been reclassified to conform to their current year presentation. These reclassifications had no effect on net income.

The most significant reclassifications relate to the reporting of accumulated costs of removal which are non-legal retirement obligations accrued prior to January 1, 2003. Previously, these costs were included as components of accumulated depreciation.

**Gas Distribution Revenues and Purchased Gas Costs:** Utility revenues are recognized on the accrual basis and include estimated amounts for service rendered but not billed.

Our rate schedules contain provisions, which permit, subject to the sharing mechanism discussed below, the recovery of actual purchased gas costs incurred. The difference between actual gas costs incurred (adjusted for the sharing mechanism) and costs recovered through rates is deferred as a current asset or liability. The deferred balance is returned to or recovered from customers at intervals throughout the year and any residual balance at the annual October 31 reconciliation date is subsequently refunded to or recovered from customers.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
Notes to Financial Statements			

The Public Service Commission of Wisconsin (PSCW) approved a performance-based gas cost recovery mechanism (GCRM). The GCRM provides an opportunity for our earnings to increase or decrease on a limited basis as the result of gas supply activities. The GCRM which was effective April 1, 2001 included various cost benchmark modifications and the broadening of the sharing mechanism such that sharing of savings/overruns commence at 1.0% and conclude at 6.0% of the total cost of gas. Our retail gas rates include monthly adjustments, which permit the recovery or refund of actual purchased gas costs. Consistent with the purchased gas adjustment rate schedule, sales of excess gas supplies or pipeline capacity to third parties is reported as a reduction in cost of gas sold.

**Property and Depreciation:** We record utility property, plant and equipment at cost. Cost includes material, labor, overhead and allowance for funds used during construction. Additions to and significant replacements of property are charged to property, plant and equipment at cost; minor items are charged to maintenance expense. The cost of depreciable utility property less salvage value is charged to accumulated depreciation when property is retired.

We collect future removal costs in our rates for many assets that do not have an associated legal asset retirement obligation. We record a liability on our balance sheet for the estimated amounts we have collected in rates for future removal costs less amounts we have spent in removal activities. This liability was \$162.8 million as of December 31, 2003 and is classified as a regulatory liability. The December 31, 2002 liability of approximately \$154.1 million was classified in Cost of Removal Obligations.

We include capitalized software costs associated with regulated operations in the caption "Property, Plant and Equipment" on the Balance Sheet. As of December 31, 2003 and 2002, capitalized software costs totaled \$1.8 million and \$2.6 million, respectively. The estimated useful lives are 2 to 5 years for software.

Our utility depreciation rates are certified by the state regulatory commission and include estimates for salvage value and removal costs. Depreciation as a percent of average depreciable utility plant was 4.1% in 2003 and 4.2% in 2002.

**Allowance For Funds Used During Construction:** Allowance for funds used during construction (AFUDC) is included in utility plant accounts and represents the cost of borrowed funds used during construction and a return on stockholders' capital used for construction purposes. In the Income Statements, the cost of borrowed funds (AFUDC-debt) is included as an offset to interest expense and the return on stockholders' capital (AFUDC-equity) is an item of other income.

As approved by the PSCW, we are allowed to accrue AFUDC on specific large construction projects at a rate of 10.32%.

**Materials, Supplies and Inventories:** Inventory at December 31 consists of:

Materials, Supplies and Inventories	2003 (Millions of Dollars)	2002 (Millions of Dollars)
Natural Gas in Storage	\$100.1	\$59.3
Materials and Supplies	5.1	5.1
Total	<u>\$105.2</u>	<u>\$64.4</u>

Substantially all materials and supplies and natural gas in storage inventories are priced using the weighted-average method of accounting.

**Goodwill and Long-Lived Assets:** Effective January 1, 2002, we adopted Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and Other Intangible Assets (SFAS 142) which eliminated the annual amortization of goodwill. For further information, see Notes F and O.

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**Regulatory Accounting:** We account for our regulated operations in accordance with Statement of Financial Accounting Standards No. 71, Accounting for the Effects of Certain Types of Regulation (SFAS 71). This statement sets forth the application of generally accepted accounting principles to those companies whose rates are determined by an independent third-party regulator. The economic effects of regulation can result in regulated companies recording costs that have been or are expected to be allowed in the rate making process in a period different from the period in which the costs would be charged to expense by an unregulated enterprise. When this occurs, costs are deferred as assets in the balance sheet (regulatory assets) and recorded as expenses in the periods when those same amounts are reflected in rates. We defer all of our regulatory assets pursuant to specific rate orders or by a generic order issued by our primary regulator. We expect to recover our outstanding regulatory assets in rates over a period of no longer than 20 years. As of December 31, 2003, we had approximately \$0.5 million of regulatory assets that were not earning a return. Additionally, regulators can impose liabilities upon a regulated company for amounts previously collected from customers and for amounts that are expected to be refunded to customers (regulatory liabilities).

Our regulatory assets and liabilities at December 31 consist of:

<u>Regulatory Assets</u>	<u>2003</u>	<u>2002</u>
	(Millions of Dollars)	
Post-retirement benefit costs	\$22.8	\$25.6
Bad debt costs	10.6	7.0
Environmental costs	6.9	2.9
Unrecognized pension costs (See Note K)	2.5	18.0
Deferred income tax related (See Note D)	0.5	0.9
Other, net	8.4	2.9
Total Regulatory Assets	<u>\$51.7</u>	<u>\$57.3</u>
 <u>Regulatory Liabilities</u>	 <u>2003</u>	 <u>2002</u>
	(Millions of Dollars)	
Cost of removal obligations	\$162.8	\$ -
Deferred pension - income	82.8	90.1
Deferred post-retirement medical income	45.4	49.4
Income tax related (See Note D)	8.8	10.5
Long-term debt adjustment	6.4	7.9
Other, net	12.0	10.9
Total Regulatory Liabilities	<u>\$318.2</u>	<u>\$168.8</u>

We recorded a minimum pension liability in 2003 and in 2002 to reflect the funded status of our pension plans (see Note K). We concluded that substantially all of the unrecognized pension costs resulting from the recognition of our minimum pension liability qualify as a regulatory asset. As a result, we recognized a pre-tax regulatory asset in the amount of \$2.5 million and \$18.0 million associated with our minimum pension liability as of December 31, 2003 and 2002, respectively.

Consistent with a generic order from and past rate-making practices of the PSCW, we defer as a regulatory asset costs associated with the remediation of former manufactured gas plant sites. As of December 31, 2003, we have recorded \$6.9 million of environmental costs associated with manufactured gas plant sites as a regulatory asset, including \$0.5 million of deferrals for actual remediation costs incurred and a \$6.4 million accrual for estimated future site remediation (See Note N). We expect to include total actual remediation costs incurred in our next rate case at which time we would begin amortizing these costs over the following five years.

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As of December 31, 2003, we have deferred a regulatory asset of approximately \$10.6 million related to uncollectible accounts receivable. In October 2002, the PSCW issued an order which prospectively eliminated escrow accounting for our bad debts effective October 1, 2002. We expect to collect the escrowed balance of bad debts accumulated as of September 30, 2002 in future rates. However, our future bad debt expense will no longer be subject to this separate true-up mechanism. In 2003, due to a combination of unusually high natural gas prices, the soft economy within our utility service territories, and limited governmental assistance available to low-income customers, we experienced a significant increase in uncollectible accounts receivable. As a result, in October 2003 the PSCW approved our request for deferral of 2003 uncollectible accounts receivable in excess of amounts included in existing annual utility rates.

In connection with Wisconsin Energy's acquisition of WICOR, we recorded the funded status of the Wisconsin Gas pension and post-retirement medical plans at fair value at the acquisition date. Due to the expected regulatory treatment of these items, we recorded a regulatory asset (Post-retirement benefit costs) and a regulatory liability (Deferred pension - income) that is being amortized over an average remaining service life of 15 years ending 2015.

**Derivative Financial Instruments:** We have derivative physical and financial instruments as defined by Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (SFAS 133). However use of financial instruments is limited. For further information, see Notes I and J.

**Statement of Cash Flows:** Cash and cash equivalents include marketable debt securities acquired three months or less from maturity.

**Restrictions:** Various financing arrangements and regulatory requirements impose certain restrictions on the ability of Wisconsin Gas to transfer funds to WICOR or Wisconsin Energy in the form of cash dividends, loans or advances. Under Wisconsin law, we are prohibited from loaning funds, either directly or indirectly, to WICOR or Wisconsin Energy.

**Income Taxes:** We are a wholly-owned subsidiary of WICOR who in turn is a wholly-owned subsidiary of Wisconsin Energy. Our income and expense are included in the consolidated Federal income tax return of Wisconsin Energy. Wisconsin Energy allocates Federal current tax expense or credits to us based on our respective separate tax computation.

Investment tax credits related to regulated utility assets are recorded as a deferred credit on the balance sheet and amortized to income over the applicable service lives of related properties in accordance with regulatory treatment.

Wisconsin Energy allocates the tax benefit of stock options exercised to us to the extent the option holder's payroll cost was incurred by us. We record the allocated tax benefit as an addition to paid in capital.

## B -- RECENT ACCOUNTING PRONOUNCEMENTS

**Variable Interest Entities:** In January 2003, the Financial Accounting Standards Board (FASB) issued Interpretation 46, Consolidation of Variable Interest Entities. This standard requires an enterprise that is the primary beneficiary of a variable interest entity to consolidate that entity. The Interpretation was to be applied to any existing interests in variable interest entities beginning in the third quarter of 2003. In October 2003, the FASB deferred the adoption of FIN 46 for all entities to the first reporting period ending after December 15, 2003. We have determined we do not have any variable interest in unconsolidated entities to consolidate as a result of adoption of FIN 46.

**Derivative Instruments:** We adopted SFAS 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities, effective July 1, 2003. SFAS 149, which was issued by FASB in April 2003, amends Statement 133 for certain decisions made by the FASB as part of the Derivatives Implementation Group process and other FASB projects dealing with financial instruments. See Note I for further information.

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**Pension and Other Post-retirement Benefit Plans:** We adopted SFAS 132R, Employers' Disclosures about Pensions and Other Post-retirement Benefits, in December 2003. SFAS 132R, which was issued by FASB in December 2003, replaces existing FASB disclosure requirements for defined benefit plans. In addition to expanded annual disclosures, the FASB is requiring companies to report the various elements of pension and other post-retirement benefit costs on a quarterly basis (See Note K).

## C -- ASSET SALES

During the second quarter of 2002, we completed asset sales with net proceeds of \$12.0 million. These sales included our former main office building in Milwaukee and the sale of Leasing Services, an unregulated division of ours.

## D -- INCOME TAXES

We follow the liability method in accounting for income taxes as prescribed by Statement of Financial Accounting Standards No. 109, Accounting for Income Taxes (SFAS 109). SFAS 109 requires the recording of deferred assets and liabilities to recognize the expected future tax consequences of events that have been reflected in our financial statements or tax returns and the adjustment of deferred tax balances to reflect tax rate changes. Tax credits associated with regulated operations are deferred and amortized over the life of the assets.

The following table is a summary of income tax expense for each of the years ended December 31:

<u>Income Tax Expense</u>	<u>2003</u>	<u>2002</u>
	(Millions of Dollars)	
Current tax expense	(\$5.5)	\$18.6
Deferred income taxes, net	26.5	1.6
Investment tax credit, net	(0.4)	(0.4)
Total Income Tax Expense	<u>\$20.6</u>	<u>\$19.8</u>

The provision for income taxes for each of the years ended December 31 differs from the amount of income tax determined by applying the applicable U.S. statutory federal income tax rate to income before income taxes and preferred dividend as a result of the following:

<u>Income Tax Expense</u>	<u>2003</u>		<u>2002</u>	
	<u>Amount</u>	<u>Effective Tax Rate</u>	<u>Amount</u>	<u>Effective Tax Rate</u>
		(Millions of Dollars)		
Expected tax at statutory federal tax rates	\$20.1	35.0%	\$18.5	35.0%
State income taxes net of federal tax benefit	3.0	5.2%	3.0	5.7%
Investment tax credit restored	(0.4)	(0.7%)	(0.4)	(0.8%)
Amortization of goodwill	-	-	-	-
Other, net	(2.1)	(3.6%)	(1.3)	(2.5%)
Total Income Tax Expense	<u>\$20.6</u>	<u>35.9%</u>	<u>\$19.8</u>	<u>37.4%</u>

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The components of SFAS 109 deferred income taxes classified as net current assets and net long-term liabilities at December 31 are as follows:

Deferred Income Taxes	Current Assets (Liabilities)		Long-Term Liabilities (Assets)	
	2003	2002	2003	2002
	(Millions of Dollars)			
Property-related	\$ -	\$ -	\$47.7	\$29.0
Pension benefits	-	-	47.4	32.4
Recoverable gas costs	2.0	1.4	-	-
Uncollectible account expense	6.8	7.5	-	-
Inventory	2.1	3.2	-	-
Employee benefits and compensation	2.8	3.6	0.5	(3.5)
Other	0.2	0.4	(4.2)	7.6
Total Deferred Income Taxes	<u>\$13.9</u>	<u>\$16.1</u>	<u>\$91.4</u>	<u>\$65.5</u>

We have also recorded deferred regulatory assets and liabilities representing the future expected impact of deferred taxes on our revenues (see Note A).

#### E -- COMMON EQUITY

Due to the merger of Wisconsin Energy and WICOR on April 26, 2000, we applied push down accounting that began a new basis of accounting. Retained earnings reflects earnings after the merger. In addition, the push-down of merger-related adjustments resulted in a corresponding increase in our paid-in capital.

#### F -- GOODWILL

We adopted Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets (SFAS 142), effective January 1, 2002. Under SFAS 142, goodwill and other intangibles with indefinite lives are no longer subject to amortization. However, goodwill along with other intangibles are subject to new fair value-based rules for measuring impairment, and resulting write-downs, if any, are reflected as a change in accounting principle upon adoption and in operating expense in subsequent periods.

As of result of adopting the new accounting standard SFAS 142, we recorded a charge of \$295 million reflecting the cumulative effect of changing how we value goodwill. Prior to the adoption of SFAS 142, we had evaluated impairment by comparing the goodwill balance to future undiscounted cash flows. The charge resulted from a change to a fair value approach from an undiscounted approach to measuring impairment. As background, the goodwill that was originally recorded on our books reflected the difference between the amount that Wisconsin Energy paid for us and our historical book value. As is typical in most acquisitions, a buyer pays a premium for a company because it expects that it will realize synergies as a result of the purchase. However, even though the synergies may benefit other subsidiaries of the buyer, generally accepted accounting principles prohibit allocating goodwill to those other companies. In our instance, through the merged operations of Wisconsin Electric and Wisconsin Gas, both companies are benefiting from synergies; however, Wisconsin Gas has recorded in its separate financial statements the goodwill which represents the premium that was paid for the acquisition.



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## G -- LONG-TERM DEBT

**Debentures and Notes:** At December 31, 2003, the maturities and sinking fund requirements through 2008 and thereafter for the aggregate amount of long-term debt outstanding (excluding obligations under capital leases) were:

	(Millions of Dollars)
2004	\$ -
2005	65.0
2006	-
2007	-
2008	-
Thereafter	220.0
Total	<u>\$285.0</u>

Long-term debt premium or discount and expense of issuance are amortized over the lives of the debt issues and included as interest expense.

In December 2003, we sold \$125 million of unsecured 5.20% debentures due December 1, 2015. The proceeds of the offering were used to repay short-term debt.

## H -- SHORT-TERM DEBT

Short-term notes payable balances and their corresponding weighted-average interest rates at December 31 consist of:

<u>Short-Term Debt</u>	<u>2003</u>		<u>2002</u>	
	<u>Balance</u>	<u>Interest Rate</u> (Millions of Dollars)	<u>Balance</u>	<u>Interest Rate</u>
Commercial paper	<u>\$133.1</u>	<u>1.15%</u>	<u>\$142.2</u>	<u>1.37%</u>

On December 31, 2003, we had approximately \$200 million of available unused lines in our bank back-up credit facility. We had approximately \$133.1 million of total short-term debt outstanding on such date. Our bank back-up credit facility matures June 2004.

We have entered into various bank back-up credit agreements to maintain short-term credit liquidity which, among other terms, require us to maintain a minimum total funded debt to capitalization ratio of less than 65%.

## I -- DERIVATIVE INSTRUMENTS

We follow SFAS 133 as amended by SFAS 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities, effective July 1, 2003, which requires that derivative instruments be recorded on the balance sheet as an asset or liability measured at its fair value and that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Upon adoption of SFAS 149, prospectively any forward commodity contracts that meet the qualification of a capacity contract and are subject to unplanned netting, qualify as derivatives and any changes in fair value of the derivatives are to be recorded currently in earnings. However, the PSCW allows the effects of the change in fair market value accounting to be recorded as regulatory assets and liabilities.

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We have a limited number of other financial and physical commodity contracts that are defined as derivatives under SFAS 133 and that qualify for cash flow hedge accounting. These cash flow hedging instruments are comprised of gas futures and basis swap contracts utilized to manage the cost of gas. Changes in the fair market values of these cash flow hedging instruments, to the extent that the hedges are effective at mitigating the underlying commodity risk, are recorded in Accumulated Other Comprehensive Income. At the date the underlying transaction occurs, the amounts in Accumulated Other Comprehensive Income are reported in earnings. The ineffective portion of the derivative's change in fair value is recorded as a regulatory asset or liability immediately as these transactions are part of the purchased gas adjustment.

For the years ended December 31, 2003 and 2002 the amount of hedge ineffectiveness was immaterial. We did not exclude any components of derivative gains or losses from the assessment of hedge effectiveness. The maximum length of time over which we are hedging our exposure to the variability in future cash flows of forecasted transactions as of December 31, 2003 was four months and as of December 31, 2002 was two months.

#### J -- FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount and estimated fair value of certain of our recorded financial instruments at December 31 are as follows:

<u>Financial Instruments</u>	<u>2003</u>		<u>2002</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u> (Millions of Dollars)	<u>Carrying Amount</u>	<u>Fair Value</u>
Long-term debt including current portion	\$277.2	\$287.6	\$151.9	\$168.7

The carrying value of cash and cash equivalents, net accounts receivable, accounts payable and short-term borrowings approximates fair value due to the short-term nature of these instruments. The fair value of our long-term debt, including the current portion of long-term debt, is estimated based upon quoted market value for the same or similar issues or upon the quoted market prices of U.S. Treasury issues having a similar term to maturity, adjusted for the issuing company's bond rating and the present value of future cash flows. The fair values of gas commodity instruments are equal to their carrying values as of December 31, 2003.

#### K -- BENEFITS

**Pensions and Other Post-retirement Benefits:** We have funded and unfunded noncontributory defined benefit pension plans that together cover substantially all of our employees. The plans provide defined benefits based upon years of service and final average salary.

We also have other post-retirement benefit plans covering substantially all of our employees. The health care plans are contributory with participants' contributions adjusted annually; the life insurance plans are noncontributory. The accounting for the health care plans anticipates future cost-sharing changes to the written plans that are consistent with our expressed intent to maintain the current cost sharing levels. The post-retirement health care plans include a limit on our share of costs for recent and future retirees. We use a year end measurement date for all of our pension and other post-retirement benefit plans.

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Status of Benefit Plans	Pension Benefits		Other Post-retirement Benefits	
	2003	2002	2003	2002
(Millions of Dollars)				
Change in Benefit Obligation				
Benefit Obligation at January 1	\$139.7	\$130.5	\$66.6	\$53.7
Service cost	3.1	2.9	0.4	0.4
Interest cost	9.3	9.1	4.5	4.3
Plan amendments	0.5	(1.3)	5.1	2.3
Actuarial loss	0.9	4.2	0.5	10.1
Benefits paid	(5.3)	(5.7)	(4.2)	(4.2)
Benefit Obligation at December 31	<u>\$148.2</u>	<u>\$139.7</u>	<u>\$72.9</u>	<u>\$66.6</u>
Change in Plan Assets				
Fair Value at January 1	\$183.2	\$214.9	\$59.2	\$66.5
Actual earnings (loss) on plan assets	42.8	(26.6)	12.8	(6.0)
Employer contributions	0.6	0.6	3.3	2.9
Benefits paid	(5.3)	(5.7)	(4.2)	(4.2)
Fair Value at December 31	<u>\$221.3</u>	<u>\$183.2</u>	<u>\$71.1</u>	<u>\$59.2</u>
Funded Status of Plans				
Funded status at December 31	\$73.1	\$43.5	(\$1.8)	(\$7.4)
Unrecognized				
Net actuarial loss	122.6	142.1	28.4	37.5
Prior service cost	(0.5)	(1.1)	6.6	2.1
Net transition (asset) obligation	-	-	22.8	25.6
Net Asset (Accrued Benefit Cost)	<u>\$195.2</u>	<u>\$184.5</u>	<u>\$56.0</u>	<u>\$57.8</u>
Amounts recognized in the Balance Sheet consist of:				
Prepaid benefit cost	\$200.8	\$174.1	\$33.2	\$32.2
Accrued benefit cost	(8.1)	(7.6)	-	-
Regulatory asset (See Note A)	2.5	18.0	22.8	25.6
Net amount recognized at end of year	<u>\$195.2</u>	<u>\$184.5</u>	<u>\$56.0</u>	<u>\$57.8</u>

The accumulated benefit obligation for all of our defined benefit plans was \$136.3 million and \$134.1 million at December 31, 2003 and 2002, respectively.

Information for pension plans with an accumulated benefit obligation in excess of the fair value of assets are as follows:

	2003	2002
	(Millions of Dollars)	
Projected benefit obligation	\$8.1	\$6.7
Accumulated benefit obligation	\$8.1	\$6.7
Fair value of plan assets	\$ -	\$ -

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Additional Information

2003                      2002  
(Millions of Dollars)

Increase (decrease) in minimum liability included in regulatory assets                      (\$1.8)                      \$1.8

The components of net periodic pension and other post-retirement benefit costs are:

Benefit Plan Cost Components	Pension Benefits		Other Post-retirement Benefits	
	2003	2002	2003	2002
	(Millions of Dollars)			
Net Periodic Benefit Cost (Income)				
Service cost	\$3.1	\$2.9	\$0.4	\$0.4
Interest cost	9.3	9.1	4.5	4.2
Expected return on plan assets	(22.4)	(23.4)	(5.0)	(5.7)
Amortization of:				
Prior service cost	(0.1)	(0.1)	0.6	0.2
Actuarial loss (gain)	0.3	0.1	1.9	0.9
Net Periodic Benefit Cost (Income)	<u>(\$9.8)</u>	<u>(\$11.4)</u>	<u>\$2.4</u>	<u>\$ -</u>

Weighted-Average assumptions used to determine benefit obligations at Dec 31

Discount rate	6.25%	6.75%	6.25%	6.75%
Rate of compensation increase	4.5 to 5.0	4.5 to 5.0	4.5 to 5.0	4.5 to 5.0

Weighted-Average assumptions used to determine net cost for year ended Dec 31

Discount rate	6.75%	7.25%	6.75%	7.25%
Expected return on plan assets	9.0	9.0	9.0	9.0
Rate of compensation increase	4.5 to 5.0	4.5 to 5.0	4.5 to 5.0	4.5 to 5.0

Assumed health care cost trend rates at Dec 31

Health care cost trend rate assumed for next year	N/A	N/A	10	10
Rate that the cost trend rate gradually declines to	N/A	N/A	5	5
Year that the rate reaches the rate it is assumed to remain at	N/A	N/A	2009	2008

The expected long-term rate of return on plan assets was 9% in 2003 and 2002. This return expectation on plan assets was determined by reviewing actual pension historical returns as well as calculating expected total trust returns using the weighted average of long-term market returns for each of the asset categories utilized in the pension fund.

**Other Post-retirement Benefits Plans:** We use Employees' Benefit Trusts to fund a major portion of other post-retirement benefits. The majority of the trusts' assets are mutual funds or commingled indexed funds.

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Effective January 1, 1992, post-retirement benefit costs have been calculated in accordance with SFAS 106, Employers' Accounting for Post-retirement Benefits Other Than Pensions, and are recoverable from our utility customers. We have recorded a deferred regulatory asset, which is being amortized over a twenty-year period effective January 1, 1992, for the cumulative difference between the amount funded and SFAS 106 post-retirement expense through January 1, 1992.

The assumed health care cost trend rate for 2004 is at 10% for all plan participants decreasing gradually to 5% in 2008 and thereafter. Assumed health care cost trend rates have a significant effect on the amounts reported for health care plans.

A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	<u>1% Increase</u>	<u>1% Decrease</u>
	(Millions of Dollars)	
Effect on		
Post-retirement benefit obligation	\$2.2	(\$2.1)
Total of service and interest cost components	\$0.2	(\$0.1)

On December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law. The Act introduced a prescription drug benefit program under Medicare (Medicare Part D) as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D.

In general, accounting rules require that changes in relevant laws and government benefit programs be considered in measuring post-retirement benefit costs and the Accumulated Post-retirement Benefit Obligation (APBO). However, certain accounting issues raised by the Act – in particular, how to account for the federal subsidy – are not explicitly addressed by FASB Statement 106. In addition, significant uncertainties exist for a plan sponsor both as to the direct effects of the Act and its ancillary effects on plan participant's behavior and health care costs.

The FASB issued FASB Staff Position (FSP) No. FAS 106-1, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003", (FSP 106-1) that allows sponsors to elect to defer recognition of the effects of the Act.

In accordance with FSP 106 -1, we elected to defer recognition of the effects of the Act. Accordingly, any measures of the APBO or net periodic post-retirement benefit cost in the financial statements or the accompanying footnotes do not reflect the effects of the Act on the plan. Specific authoritative guidance on the accounting for the federal subsidy is pending and that guidance, when issued, could require us to change previously reported information.

**Plan Assets:** In our opinion, current pension trust assets and amounts, which are expected to be paid to the trusts in the future will be adequate to meet pension payment obligations to current and future retirees. Our pension plan asset allocation at December 31, 2003 and 2002 and our target allocation for 2004 by asset category are as follows:

<u>Asset Category</u>	<u>Target</u> <u>Allocation</u>	<u>Percentage of Plan</u> <u>Assets at December 31</u>	
	<u>2004</u>	<u>2003</u>	<u>2002</u>
Equity Securities	72%	76%	72%
Debt Securities	28%	24%	28%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

Wisconsin Energy common stock is not included in equity securities. Investment managers are specifically prohibited from investing in Wisconsin Energy securities or any affiliate of ours except if part of a commingled fund.

Name of Respondent	This Report is:	Date of Report	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/29/2004	Dec 31, 2003
Notes to Financial Statements			

The target asset allocation was established by our Board of Directors appointed Investment Trust Policy Committee, which oversees investment matters related to all of our funded benefit plans. Asset allocation is monitored by the Investment Trust Policy Committee and support staff on a monthly basis.

Our other post-retirement benefit plans asset allocation at December 31, 2003 and 2002 and our target allocation for 2004 by asset category are as follows:

Asset Category	Target Allocation	Percentage of Plan Assets at December 31	
	2004	2003	2002
Equity Securities	59%	62%	52%
Debt Securities	39%	34%	42%
Other	2%	4%	6%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

Wisconsin Energy common stock is not included in equity securities. Investment managers are specifically prohibited from investing in Wisconsin Energy securities or any affiliate of ours except if part of a commingled fund.

The target asset allocation was established by our Board of Directors appointed Investment Trust Policy Committee, which oversees investment matters related to all of our funded benefit plans. Asset allocation is monitored by the Investment Trust Policy Committee and support staff on a monthly basis.

**Cash flows:**

Employer Contributions	Pension Benefits	Other Post-Retirement Benefits
	(Millions of Dollars)	
2002	\$0.6	\$2.9
2003	0.6	3.3
2004 (Expected)	0.6	3.4

The \$0.6 million expected to be contributed to fund pension benefit plans in 2004 is the minimum required by law for all our pension plans.

The entire contribution to the other post-retirement benefit plans during 2004 is discretionary, as the plans are not subject to any minimum regulatory funding requirements. The contribution is expected to be in the form of cash.

**Savings Plans:** We sponsor savings plans, which allow employees to contribute a portion of their pretax and/or after tax income in accordance with plan-specified guidelines. Under these plans, we charged \$1.1 million of matching contributions to expense during 2003 and 2002.

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Notes to Financial Statements			

## L -- GUARANTEES

**Postemployment benefits:** Postemployment benefits provided to former or inactive employees are recognized when an event occurs. As of December 31, 2003, we have recorded an estimated liability, based on an accrual analysis, of \$3 million.

## M -- RELATED PARTIES

**Guardian Pipeline:** WICOR has a one third ownership interest in Guardian Pipeline, an interstate natural gas pipeline. We have committed to purchase 650,000 dekatherms per day of capacity (approximately 88% of the pipeline's total capacity) under the terms of a 10 year transportation agreement. Guardian began deliveries to us in December 2002.

**Other:** Managerial, financial, accounting, legal, data processing and other services may be rendered between associated companies and are billed in accordance with service agreements approved by the PSCW. We had a net payable to associated companies of approximately \$10.7 million as of December 31, 2003.

## N -- COMMITMENTS AND CONTINGENCIES

**Gas Supply:** We have agreements for firm pipeline and storage capacity that expire at various dates through 2012. As of December 31, 2003, the aggregate amount of required payment under such agreements totaled approximately \$382.3 million, with required payments of \$84.5 million in 2004, \$165.4 million for 2005 through 2007, and \$132.4 million thereafter. The purchased gas adjustment provisions of our rate schedules permit the recovery of gas costs, including payments for firm pipeline and storage capacity, from our customers subject to the GCRM sharing mechanism.

In June 2003, ANR Pipeline Company (ANR) filed revised tariff sheets with the Federal Energy Regulatory Commission (FERC) under Docket #RP03-529-000 in regard to the assignment of its contract with Dakota Gasification Company (Dakota) which expires in 2009. Under the assignment agreement, ANR has agreed to buy out its obligation under a gas purchase agreement with Dakota and associated transportation capacity, by assigning its purchase obligations and permanently releasing this transportation capacity to BP Canada Energy Marketing Corporation. FERC approved ANR's request to recover \$9.5 million in buyout costs through its tariff over a twelve month period beginning September 1, 2003. Based on our contracted quantities with ANR, we anticipate paying approximately \$1.1 million toward these buyout costs.

Transportation costs billed to us are being recovered from customers under the purchased gas provisions within our rate schedules.

**Capital Expenditures:** Certain commitments have been made in connection with 2004 capital expenditures. During 2004, total capital expenditures are estimated to be approximately \$72 million, a decrease of approximately \$50 million over 2003, primarily attributable to the completion of the Ixonia Lateral in 2003.

**Environmental Matters:** We periodically review our exposure for remediation costs as evidence becomes available indicating that our remediation liability has changed. Given current information, including the following, management believes that future costs in excess of the amounts accrued and/or disclosed on all presently known and quantifiable environmental contingencies will not be material to our financial position or results of operations.

We have a voluntary program of comprehensive environmental remediation planning for former manufactured gas plant sites. We perform ongoing assessments of manufactured gas plant sites previously used by us as discussed below. We are working with the Wisconsin Department of Natural Resources in our investigation and remediation planning. At this time, we cannot estimate future remediation costs associated with these sites beyond those described below.

Name of Respondent	This Report is:	Date of Report	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/29/2004	Dec 31, 2003
Notes to Financial Statements			

**Manufactured Gas Plant Sites:** We have completed planned remediation activities at one former manufactured gas plant site. We are investigating or monitoring other sites. We estimate that the future costs for detailed site investigation and future remediation costs may range from \$5-\$12 million over the next ten years based upon ongoing analysis. This estimate is dependent upon several variables including, among other things, the extent of remediation, changes in technology and changes in regulation. As of December 31, 2003, we have established reserves of \$6.4 million related to future remediation costs.

The PSCW has allowed Wisconsin utilities, including us, to defer the costs spent on the remediation of manufactured gas plant sites, and has allowed for such costs to be recovered in rates over five years. As such, we have recorded a regulatory asset for remediation costs not yet recovered in rates.

## O -- RESTATEMENT

Subsequent to the issuance of our 2002 financial statements, we determined we had not properly considered all available evidence in determining the assumptions used in our estimate of the fair value of the Company in accordance with Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets." As a result, we restated our goodwill balance and net income for 2002 to reflect a goodwill impairment of \$295 million upon the adoption of SFAS 142. The balance sheet and statement of capitalization as of December 31, 2002 and the income statement for the year ended December 31, 2002 have been restated from the amounts previously reported to reflect the impairment of goodwill upon the January 1, 2002 adoption of Statement 142. The table below shows the impact of the restatement on net income for the period impacted:

	Year Ended December 31, 2002	
	As Previously Reported	As Restated
	(Millions of Dollars)	
<b>Income Statement:</b>		
Income before cumulative effect of change in accounting principle	\$33.2	\$33.2
Cumulative effect of change in accounting principle	\$ -	(\$295.0)
Net income (loss)	<u>\$33.2</u>	<u>(\$261.8)</u>
<b>Balance Sheet:</b>		
Goodwill	\$441.9	\$146.9
Total Assets (a)	\$1,532.5	\$1,237.5
Common equity	\$726.1	\$431.1
(a) Adjusted for reclassification described in Note A.		



Name of Respondent	This Report is:	Date of Report	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/29/2004	Dec 31, 2003
Notes to Financial Statements			

**P -- QUARTERLY FINANCIAL DATA (UNAUDITED)**

(Millions of Dollars)	Three Months Ended (a)			
	March		June	
	2003	2002 (b)	2003	2002
Total operating revenues	\$316.3	\$188.4	\$121.6	\$94.4
Operating income (loss)	\$45.3	\$40.9	(\$3.0)	\$5.3
Net income (loss)	\$27.0	(\$272.1)	(\$3.4)	\$1.5

	Three Months Ended (a)			
	September		December	
	2003	2002	2003	2002
Total operating revenues	\$77.6	\$56.8	\$199.3	\$190.4
Operating income (loss)	(\$7.7)	(\$7.8)	\$32.5	\$29.4
Net income (loss)	(\$5.9)	(\$6.3)	\$19.1	\$15.1

- (a) Quarterly results of operations are not directly comparable because of seasonal and other factors.
- (b) The interim financial statements for the quarterly period ended March 31, 2002 have been restated from amounts previously reported in our quarterly reports on Form 10-Q (see Note O).

**Income Statement:**

	Three Months Ended March 31, 2002	
	As previously reported	As restated
Income before cumulative effect of change in accounting principle	\$22.9	\$22.9
Cumulative effect of change in accounting principle	\$ -	(\$295.0)
Net income (loss)	\$22.9	(\$272.1)

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion</b>				
Line No.	Item (a)	Total (b)		
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	1,035,025,468		
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	TOTAL Utility Plant (Total of lines 3 thru 7)	1,035,025,468		
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	7,747,946		
12	Acquisition Adjustments			
13	TOTAL Utility Plant (Total of lines 8 thru 12)	1,042,773,414		
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	532,731,713		
15	Net Utility Plant (Total of lines 13 and 14)	510,041,701		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	532,481,982		
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights			
20	Amortization of Underground Storage Land and Land Rights			
21	Amortization of Other Utility Plant	249,731		
22	TOTAL In Service (Total of lines 18 thru 21)	532,731,713		
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	TOTAL Leased to Others (Total of lines 24 and 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	TOTAL Held for Future Use (Total of lines 28 and 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amortization of Plant Acquisition Adjustment			
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	532,731,713		

Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
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**Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion (continued)**

Line No.	Electric (c)	Gas (d)	Other (specify) (e) Water	Common (f)
1				
2				
3		1,021,621,370	13,404,098	
4				
5				
6				
7				
8		1,021,621,370	13,404,098	
9				
10				
11		7,659,150	88,796	
12				
13		1,029,280,520	13,492,894	
14		531,774,762	956,951	
15		497,505,758	12,535,943	
16				
17				
18		531,525,031	956,951	
19				
20				
21		249,731		
22		531,774,762	956,951	
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33		531,774,762	956,951	

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)				
1. Report below the original cost of gas plant in service according to the prescribed accounts. 2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified-Gas. 3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year. 4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments 5. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.		6. Classify Acct. 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c) Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions or prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distribution of these accounts		
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
1	1. Intangible Plant			
2	301 Organization			
3	302 Franchises and Consents	\$ 211,017	\$	-
4	303 Miscellaneous Intangible Plant	117,384		-
5	TOTAL Intangible Plant (Enter Total of lines 2 thru 4)	328,401		-
6	2. Manufactured Gas Production Plant			
7	304 Land and Land Rights	62,184		-
8	305 Structures and Improvements	163,075		-
9	306 Boiler Plant Equipment	-		-
10	307 Other Power Equipment	-		-
11	308 Coke Ovens	-		-
12	309 Producer Gas Equipment	-		-
13	310 Water Gas Generating Equipment	-		-
14	54	-		-
15	312 Oil Gas Generating Equipment	-		-
16	313 Generating Equipment - Other Processes	-		-
17	314 Coal, Coke and Ash Handling Equipment	-		-
18	315 Catalytic Cracking Equipment	-		-
19	316 Other Reforming Equipment	-		-
20	317 Purification Equipment	-		-
21	318 Residual Refining Equipment	-		-
22	319 Gas Mixing Equipment	557,648		-
23	320 Other Equipment	-		-
24	TOTAL Manufactured Gas Production Plant	782,907		-
25	Other Storage Plant			
26	360 Land and Land Rights	23,230		-
27	361 Structures and Improvements	102,551		-
28	362 Gas Holders	1,020,149		-
29	363 Purification Equipment	-		-
30	363.1 Liquefaction Equipment	-		-
31	363.2 Vaporizing Equipment	113,042		-
32	363.3 Compressor Equipment	-		-
33	363.4 Meas. and Reg. Equipment	7,471		-
34	363.5 Other Equipment	107,207		-
35	TOTAL Other Storage Plant	\$ 1,373,650	\$	-

Name of Respondent	This Report Is:	Date of Report	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/29/04	Dec. 31, 2003

**GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)**

Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)		Line No.
				301	1
\$ -	\$ -	\$ -	\$ 211,017	302	2
-	-	-	117,384	303	3
-	-	-	328,401		4
					5
			62,184	304	6
			163,075	305	7
			-	306	8
			-	307	9
			-	308	10
			-	309	11
			-	310	12
			-	311	13
			-	312	14
			-	313	15
			-	314	16
			-	315	17
			-	316	18
			-	317	19
			-	318	20
148,488		(6,766)	402,394	319	21
-	-	-	-	320	22
148,488	-	(6,766)	627,653		23
					24
			23,230	360	25
		1,170	103,721	361	26
			1,020,149	362	27
			-	363	28
			-	363.1	29
			113,042	363.2	30
			-	363.3	31
			7,471	363.4	32
			107,207	363.5	33
\$ -	\$ -	\$ 1,170	\$ 1,374,820		34
					35

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
36	4. Transmission Plant			
37	365.1 Land and Land Rights	\$ 35,209	\$ -	
38	365.2 Rights-of-Way	587,370	2,999,300	
39	366 Structures and Improvements	749,843	214,685	
40	367 Mains	12,368,236	93,829,929	
41	368 Compressor Station Equipment	-	-	
42	369 Measuring and Reg. Sta. Equipment	1,656,062	95,196	
43	370 Communication Equipment	91,827	-	
44	371 Other Equipment	-	-	
45	TOTAL Transmission Plant	15,488,547	97,139,110	
46	5. Distribution Plant			
47	374 Land and Land Rights	1,399,767	29,973	
48	375 Structures and Improvements	1,122,633	183,405	
49	376 Mains	386,663,765	16,640,006	
50	377 Compressor Station Equipment	-	-	
51	378 Meas. and Reg. Sta. Equip.-General	15,936,612	1,492,525	
52	379 Meas. and Reg. Sta. Equip.-City Gate	8,885,285	3,309,567	
53	380 Services	252,912,009	11,572,458	
54	381 Meters	58,809,156	2,840,612	
55	382 Meter Installations	66,538,641	2,521,496	
56	383 House Regulators	13,912,470	366,529	
57	384 House Reg. Installations	-	-	
58	385 Industrial Meas. and Reg. Sta. Equipment	3,469,350	256,223	
59	386 Other Prop. on Customers' Premises	-	-	
60	387 Other Equipment	6,710,353	(31)	
61	TOTAL Distribution Plant	816,360,041	39,212,763	
62	6. General Plant			
63	389 Land and Land Rights	944,370	-	
64	390 Structures and Improvements	23,818,516	634,782	
65	391 Office Furniture and Equipment	15,857,304	973,415	
66	392 Transportation Equipment	7,010,146	2,567,523	
67	393 Stores Equipment	96,542	-	
68	394 Tools, Shop, and Garage Equipment	7,174,101	426,569	
69	395 Laboratory Equipment	220,141	-	
70	396 Power Operated Equipment	3,583,138	365,357	
71	397 Communication Equipment	40,119,824	1,586,593	
72	398 Miscellaneous Equipment	867,470	31,030	
73	Subtotal	99,691,552	6,585,269	
74	399 Other Tangible Property	-	-	
75	TOTAL General Plant	99,691,552	6,585,269	
76	TOTAL (Accounts 101 and 106)	934,025,098	142,937,142	
77	Gas Plant Purchased (See Instr. 8)	-	-	
78	(Less) Gas Plant Sold (See Instr. 8)	-	-	
79	Experimental Gas Plant Unclassified	-	-	
80	TOTAL Gas Plant in Service	\$ 934,025,098	\$ 142,937,142	

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)		Line No.
\$ -	\$ -	\$ -	\$ 35,209	365.1	36
-	-	(21,628)	3,565,042	365.2	37
3,597	-	(44,204)	916,727	366	38
-	-	21,628	106,219,793	367	39
-	-	-	-	368	40
-	-	-	1,751,258	369	41
-	-	-	91,827	370	42
-	-	-	-	371	43
3,597	-	(44,204)	112,579,856		44
-	-	-	1,429,740	374	45
-	-	78,737	1,384,775	375	46
1,337,921	-	14,737	401,980,587	376	47
-	-	-	-	377	48
70,988	-	(7,832)	17,350,317	378	49
79,161	-	(25,001)	12,090,690	379	50
1,266,454	-	(558,208)	262,659,805	380	51
631,833	-	-	61,017,935	381	52
236,520	-	543,472	69,367,089	382	53
25,521	-	(1,700)	14,251,778	383	54
-	-	-	-	384	55
-	-	-	3,725,573	385	56
-	-	-	-	386	57
-	-	-	6,710,322	387	58
3,648,398	-	44,205	851,968,611		59
22,706	-	-	921,664	389	60
36,761	-	5,596	24,422,133	390	61
10,331,739	-	-	6,498,980	391	62
1,340,238	-	48,416	8,285,847	392	63
-	-	-	96,542	393	64
5,063,458	-	-	2,537,212	394	65
-	-	-	220,141	395	66
487,114	-	-	3,461,381	396	67
33,731,768	-	-	7,974,649	397	68
575,020	-	-	323,480	398	69
51,588,804	-	54,012	54,742,029		70
-	-	-	-	399	71
51,588,804	-	54,012	54,742,029		72
55,389,287	-	48,417	1,021,621,370		73
-	-	-	-		74
-	-	-	-		75
-	-	-	-		76
\$ 55,389,287	\$ -	\$ 48,417	\$ 1,021,621,370		77
					78
					79
					80

Note: Total Gas Plant in Service on Pages 204-207 excludes balance in account 114-Utility Plant Adjustments

Name of Respondent		This Report Is:		Date of Report	Year of Report
Wisconsin Gas Company		(1 <input checked="" type="checkbox"/> ) An Original (2 <input type="checkbox"/> ) A Resubmis		(Mo, Da, Yr) 03/29/04	Dec. 31, 2003

	Balance BOY	Adjustments	Transfers	Balance End of Year
Gas Plant Purchased:	\$ -	-	-	\$ -
None				
Original Cost of Plant (101)	\$ -	-	-	-
Accum Deprec of Original Plant (1	-	-	-	-
Record Contribution from Guardia	-	-	-	-
Costs Associated with Purchase	-	-	-	-
Transferred to Plant in Service (10	-	-	-	-
	\$ -	\$ -	\$ -	\$ -
Gas Plant Sold:	\$ -	-	-	\$ -
None				
Original cost of Plant (101)	-	-	-	-
Accum Deprec of Original Plant (1	-	-	-	-
Wisconsin Gas Co Contribution (1	-	-	-	-
Gain on Disposition of Property (4	-	-	-	-
	\$ -	\$ -	\$ -	\$ -
Total 102	\$ -	\$ -	\$ -	\$ -



Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
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**Construction Work in Progress-Gas (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	Total Minor Projects	2,068,188	
2	Ixonia (Guardian Lateral Project)	2,555,676	280,000
3	Port Washington Lateral	3,025,029	36,400,000
4	Port Washington Road Reconstruction	10,257	879,347
5			
6			
7			
8			
9	Note: Ixonia and Port Washington Lateral estimated		
10	additional cost to projects includes AFUDC		
11			
12			
13			
14			
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32			
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42			
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44			
45	Total	7,659,150	37,559,347

Name of Respondent Wisconsin Gas Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
CONSTRUCTION OVERHEADS - GAS				
<p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 212 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>				
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost Of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)	
1	Construction Superintendence and Engineering,			
2	Administrative and General, Allowance for Funds			
3	Used During Construction, Taxes and Other	\$12,502,894	\$113,571,360	
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43				
44	TOTAL	\$12,502,894	\$113,571,360	

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/29/04	Year of Report December 31, 2003
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**GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE**

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the U.S. of A.

3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

a. CONSTRUCTION AND REPAIR DEPARTMENT OVERHEAD COVERS DISTRIBUTION WORK SCHEDULING, FIELD SUPERVISION AND PROCESSING OF WORK COMPLETED.

ENGINEERING DEPARTMENT OVERHEAD COVERS DISTRIBUTION SYSTEM DESIGN, DRAFTING AND PLANNING.

ADMINISTRATIVE OVERHEAD INCLUDES PURCHASING, ACCOUNTING, LAW AND OTHER GENERAL OFFICE EXPENSES.

MISCELLANEOUS OVERHEADS INCLUDE PAYROLL TAXES AND OTHER DIRECT LABOR LOADINGS SUCH AS TOOL, EXPENSE, INJURIES AND DAMAGES, AND FRINGE BENEFITS COSTS.

AFUDC OVERHEAD APPLIED AT SPECIFIC RATES TO APPROVED PROJECTS ONLY.

b. CHARGES DURING THE YEAR ARE SEGREGATED INTO VARIOUS OVERHEAD ACCOUNTS BASED ON THE NATURE OF THE COSTS AND ARE THEN DISTRIBUTED BASED ON THE PROPORTION OF ACTIVITY AFFILIATED TO CAPITALIZED PROJECTS.

c. OVERHEADS ARE DISTRIBUTED BY DIVIDING THE TOTAL CHARGES BY THE BASE COST OF CONSTRUCTION EXPENDITURES REQUIRING OVERHEAD LOADINGS.

d. OVERHEADS ARE APPLIED TO ALL CONSTRUCTION, HOWEVER, ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION IS COMPUTED AT THE ANNUAL RATE OF 10.32% (4.05% Debt, 6.27% Equity) ON THE SPECIFIC PROJECT(S) IN ACCORDANCE WITH PSCW APPROVAL

e. SEE (d) ABOVE.

f. OVERHEADS ARE DIRECTLY ASSIGNED TO CONSTRUCTION PROJECTS.

1. Components of Formula (Derived from actual book balances and actual cost rates):

NOT APPLICABLE

2. Gross Rate for Borrowed Funds

NOT APPLICABLE

3. Rate for Other Funds

NOT APPLICABLE

4. Weighted Average Rate Actually Used For the Year:

a. Rate for Borrowed Funds -

b. Rate for Other Funds -

NOT APPLICABLE

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) '03/29/04	Year of Report Dec. 31, 2003			
GAS STORED (ACCOUNT 117, 164.1, 164.2 AND 164.3)						
<p>1. If during the year adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the MCF and dollar amount of adjustment, and account charged or credited.</p> <p>2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.</p> <p>3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year.</p> <p>4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year.</p> <p>5. Report pressure base of gas volumes as 14.73 psia at 60 Degrees F.</p>						
Line No.	Description (a)	Noncurrent (Account 117) (b)	Current (Account 164.1) (c)	LNG (Account 164.2) (d)	LNG (Account 164.3) (e)	Total (f)
1	Balance at Beginning of Year	\$ -	\$ 59,290,336	\$ 42,868	\$ -	\$ 59,333,204
2	Gas Delivered to Storage (contra Account)	-	126,430,786	217,795	-	126,648,581
3	Gas Withdrawn from Storage (contra Account)	-	(85,766,910)	(84,410)	-	(85,851,320)
4	Other Debits or Credits (Net)	-	-	-	-	-
5	Balance at End of Year	\$ -	\$ 99,954,212	\$ 176,253	\$ -	\$ 100,130,465
6	Therms	0	198,279,900	136,330	0	198,416,230
7	Amount Per Therm	\$ -	\$ 0.504	\$ 1.293	\$ -	\$ 0.505
8	<p>State basis of segregation of inventory between current and noncurrent portions:</p> <p>Note: Current year storage activity only is reflected on Page 220 and Page 220 Supplemental in order that rate/therm computations are accurate for 2003 experience. The accumulated change in the storage subaccounts for the prior years have been transferred to the master inventory account (164.10).</p>					

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
Wisconsin Gas Company			

**NONUTILITY PROPERTY (Account 121)**

- |   |   |
|---|---|
| <p>1. Give a brief description and state the location of nonutility property included in Account 121.</p> <p>2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.</p> <p>3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.</p> <p>4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property. These items are separate and distinct from those allowed to be grouped under</p> | <p>instruction No.5.</p> <p>5. Minor items (5% of the Balance at the End of the Year, for Account 121) may be grouped.</p> <p>6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery of products from natural gas are classifiable as gas plant and should be reported as such and not shown as Nonutility Property.</p> |
|---|---|

Line No.	Description and Location (a)	Balance at Beg. of Year (b)	Purch., Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	PowerNow/Water Works	\$ 221,490	\$ (48,416)	\$ 173,074
2	STH 145, Germantown - Washington County	31,138	-	31,138
3	Wisconsin Rapids, Wood County	10,307	-	10,307
4	Commercial CNG Facility, North Service Center	185,204	-	185,204
5				-
6				-
7	#3. Transferred to Utility Plant			-
8				-
9				-
10				-
11				-
12				-
13				-
14				-
15				-
16				-
17				-
18				-
19				-
20				-
21				-
22				-
23				-
24	<b>Total</b>	<b>\$ 448,139</b>	<b>\$ (48,416)</b>	<b>\$ 399,723</b>

**ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)**

Report below the information called for concerning depreciation and amortization of nonutility property.

Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	\$ 280,487
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	-
4	(418) Nonoperating Rental Income	29,942
5	Other Accounts (Specify):	-
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru	29,942
8	Net Charges for Plant Retired	
9	Book Cost of Plant Retired	-
10	Cost of Removal	-
11	Salvage (Credit)	-
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	-
13	Other Debit or Credit Items (Describe):	
14	Transferred vehicle to Utility	(30,097)
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	\$ 280,332

Name of Respondent Wisconsin Gas Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, <u>2003</u>
<b>Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)</b>				
<b>PREPAYMENTS (ACCOUNT 165)</b>				
1. Report below the particulars (details) on each prepayment.				
Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)		
1	Prepaid Insurance	1,456,137		
2	Prepaid Rents			
3	Prepaid Taxes	19,225,199		
4	Prepaid Interest			
5	Miscellaneous Prepayments	979,709		
6	TOTAL	21,661,045		

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Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2) (continued)							
<b>EXTRAORDINARY PROPERTY LOSSES (ACCOUNT 182.1)</b>							
Line No.	Description of Extraordinary Loss (include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)) Add rows as necessary to report all data. (a)	Balance at Beginning of Year (b)	Total Amount of Loss (c)	Losses Recognized During Year (d)	Written off During Year Account Charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
7	Loss associated with purchase of Ville Du Park	28,125	45,029		407.1	4,500	23,625
8	Water Utility accounted for in accordance with						
9	PSCW Staff letter dated 5/18/2000.						
10	Amortization from 4/99 - 3/09						
11							
12							
13							
14							
15	<b>Total</b>	28,125	45,029			4,500	23,625

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003	
<b>Other Regulatory Assets (Account 182.3)</b>						
1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts). 2. For regulatory assets being amortized, show period of amortization in column (a). 3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$250,000, whichever is less) may be grouped by classes. 4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.						
Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Year  (b)	Debits  (c)	Written off During Year Account Charged  (d)	Written off During Year Amount  (e)	Balance at End of Year  (f)
1	FAS 109 Regulatory Asset - Federal	( 177,000)				( 177,000)
2						
3	FAS 109 Regulatory Asset - State	1,050,096		410	359,430	690,666
4						
5	Tax/Interest Assessments	2,123,599				2,123,599
6						
7	Post Retirement Benefits	25,607,177		926	2,778,072	22,829,105
8						
9	Uncollectible Accounts Reserve	7,031,005			1,096,000	5,935,005
10						
11	Pensions	18,000,000		186 & 253	15,500,000	2,500,000
12						
13	FAS 133	1,316,838	22,439,723	Various	23,756,561	
14						
15	DOA Low Income Allowance Uncollectibles		6,158,036			6,158,036
16						
17	Deferred Residential Uncollectibles		4,651,000			4,651,000
18						
19	Environmental	2,858,529	4,064,311			6,922,840
20						
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40	<b>Total</b>	<b>57,810,244</b>	<b>37,313,070</b>		<b>43,490,063</b>	<b>51,633,251</b>



Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003	
<b>Miscellaneous Deferred Debits (Account 186)</b>						
1. Report below the details called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a). 3. Minor items (less than \$250,000) may be grouped by classes.						
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	Credits Account Charged (d)	Credits Amount (e)	Balance at End of Year (f)
1	Goodwill	146,888,545				146,888,545
2						
3	Post Retirement Benefits	60,129,000				60,129,000
4						
5	Pensions	174,128,048	31,133,517	926	4,436,518	200,825,047
6						
7	FAS 133	1,515,480	21,105,162	Various	20,350,914	2,269,728
8						
9	Cost of Gas Offset	754	135,147,718	Various	135,148,631	( 159)
10						
11	Distribution of Property Gains/Losses	11,613	23,121	131	34,734	
12						
13	Jobbing Accounts	1,134,060	7,711,435	Various	7,525,940	1,319,555
14						
15	Deferred Commercial Syndication Fees		575,073	431	327,171	247,902
16						
17	Omnibus Stock Incentive Plan	41,502	269,918	926	113,672	197,748
18						
19	Miscellaneous	401,404		Various	459,029	( 57,625)
20						
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38						
39	Miscellaneous Work in Progress					
40	<b>Total</b>	<b>384,250,406</b>	<b>195,965,944</b>		<b>168,396,609</b>	<b>411,819,741</b>

Name of Respondent Wisconsin Gas Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Accumulated Deferred Income Taxes (Account 190)</b>					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. At Other (Specify), include deferrals relating to other income and deductions. 3. At lines 4 and 6, add rows as necessary to report all data. Number the additional rows in sequence 4.01, 4.02, etc. and 6.01, 6.02, etc.					
Line No.	Account Subdivisions  (a)	Balance at Beginning of Year  (b)	Changes During Year  Amounts Debited to Account 410.1 (c)	Changes During Year  Amounts Credited to Account 411.1 (d)	
1	Account 190				
2	Electric				
3	Gas	21,188,854	61,900		153,500
4	Other (Define) (footnote details)				
5	Total (Total of lines 2 thru 4)	21,188,854	61,900		153,500
6	Other (Specify) Purchase Accounting	1,513,605	865,400		
7	TOTAL Account 190 (Total of lines 5 thru 6)	22,702,459	927,300		153,500
8	Classification of TOTAL				
9	Federal Income Tax	19,590,335	629,400		133,900
10	State Income Tax	3,112,124	297,900		19,600
11	Local Income Tax				

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**Accumulated Deferred Income Taxes (Account 190) (continued)**

4. If more space is needed, use separate pages as required.  
5. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under "Other."

Line No.	Changes During Year	Changes During Year	Adjustments	Adjustments	Adjustments	Adjustments	Balance at End of Year
	Amounts Debited to Account 410.2	Amounts Credited to Account 411.2	Debits	Debits	Credits	Credits	
	(e)	(f)	Account No. (g)	Amount (h)	Account No. (i)	Amount (j)	(k)
1							
2							
3					282 & 283	1,565,935	22,846,389
4							
5						1,565,935	22,846,389
6							648,205
7						1,565,935	23,494,594
8							
9						1,365,597	20,460,432
10						200,338	3,034,162
11							

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<b>Capital Stock (Accounts 201 and 204)</b>					
<p>1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p> <p>3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.</p>					
Line No.	Class and Series of Stock and Name of Stock Exchange  (a)	Number of Shares Authorized by Charter  (b)	Par or Stated Value per Share  (c)	Call Price at End of Year  (d)	
1	Account 201 - Common Stock	5,000,000	8.00		
2					
3	TOTAL_COMMON	5,000,000			
4					
5	Account 204 - Preferred Stock Cumulative	1,500,000			
6					
7	TOTAL_PREFERRED	1,500,000			
8					
9					
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Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003	
<b>Capital Stock (Accounts 201 and 204)</b>						
<p>4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.</p> <p>5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.</p> <p>6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.</p>						
Line No.	Outstanding per Bal. Sheet (total amt outstanding without reduction for amts held by respondent) Shares (e)	Outstanding per Bal. Sheet Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares (g)	Held by Respondent As Reacquired Stock (Acct 217) Cost (h)	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (j)
1	1,125	9,000				
2						
3	1,125	9,000				
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Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Other Paid-In Capital (Accounts 208-211)</b>					
<p>1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.</p> <p>(b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.</p>					
Line No.	Item (a)				Amount (b)
1	Account 208 - Donations Received from Stockholders				41,000,000
2	Beginning of year \$41,000,000				
3	Donations from WEC -				
4					
5	Balance end of year \$41,000,000				
6					
7					
8	Account 209 - Reduction in Par or Stated Value of Capital Stock				43,667,896
9	Account 210 - None				
10	Account 211 - Miscellaneous Paid-In Capital				
11	Beginning of Year \$495,757,387				
12	Inc. tax benefit related to stock option comp. 1,111,100				
13					
14	Balance End of Year \$496,868,487				496,868,487
15					
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39					
40	Total				581,536,383

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Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Long-Term Debt (Accounts 221, 222, 223, and 224)</b>					
<p>1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.</p> <p>2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p>					
Line No.	Class and Series of Obligation and Name of Stock Exchange  (a)	Nominal Date of Issue  (b)	Date of Maturity  (c)	Outstanding (Total amount outstanding without reduction for amts held by respondent)  (d)	
1	Account 221:				
2					
3	NOTES:				
4					
5	6-3/8% Series				
6	Original Issue \$55,000,000	11/13/1995	11/01/2005	65,000,000	
7					
8	5.50% Series				
9	Original Issue \$50,000,000	01/21/1999	01/15/2009	50,000,000	
10					
11	6.60% Series				
12	Original Issue \$45,000,000	09/22/1993	09/15/2013	45,000,000	
13					
14	5.20% Series				
15	Original Issue \$125,000,000	12/10/2003	12/01/2015	125,000,000	
16					
17	Bonds Payable - Purchase Accounting			( 6,389,992)	
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
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30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL			278,610,008	



Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
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**Long-Term Debt (Accounts 221, 222, 223, and 224)**

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.

6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.

7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.

8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.

9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Interest for Year Rate (in %) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per \$100 at End of Year (i)
1					
2					
3					
4					
5					
6	6.375	4,143,750			
7					
8					
9	5.500	2,750,000			
10					
11					
12	6.600	2,970,000			
13					
14					
15	5.200	379,167			
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
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31					
32					
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37					
38					
39					
40		10,242,917			

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Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Reconciliation of Reported Net Income with Taxable Income for Feder Income Taxes</b>					
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.</p>					
Line No.	Details (a)				Amount (b)
1	Net Income for the Year (Page 116)				36,795,387
2	Reconciling Items for the Year				
3					
4	Taxable Income Not Reported on Books				
5	See Note for Reconciliation of Reported Net Income with Taxable Income				
6					
7					
8	TOTAL				
9	Deductions Recorded on Books Not Deducted for Return				
10	See Note for Reconciliation of Reported Net Income with Taxable Income				29,943,042
11					
12					
13	TOTAL				29,943,042
14	Income Recorded on Books Not Included in Return				
15	See Note for Reconciliation of Reported Net Income with Taxable Income				( 10,500,639)
16					
17					
18	TOTAL				( 10,500,639)
19	Deductions on Return Not Charged Against Book Income				
20	See Note for Reconciliation of Reported Net Income with Taxable Income				( 62,726,984)
21					
22					
23					
24					
25					
26	TOTAL				( 62,726,984)
27	Federal Tax Net Income				( 6,489,194)
28	Show Computation of Tax:				
29	See Note for Reconciliation of Reported Net Income with Taxable Income				( 7,674,128)
30					
31					
32					
33					
34					
35					

**INTENTIONALLY LEFT BLANK**

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003	
Other Deferred Credits (Account 253)						
1. Report below the details called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (less than \$250,000) may be grouped by classes.						
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	Directors' Deferred Compensation	1,009,274	Various	108,413	327,477	1,228,338
2	FAS 133	932,830	Various	9,149,919	8,217,089	
3						
4	Deferred Supplemental Pension	7,255,375	Various	1,105,956	908,655	7,058,074
5	FAS 106 Postretirement Benefits	27,919,997	Various	3,561,994	2,622,748	26,980,751
6	Deferred Compensation	1,356,084	Various	1,362,375	1,107,836	1,101,545
7	Environmental Remediation Costs	3,081,664	Various	3,078,706	805,498	808,456
8	Minimum Pension/SERP					
9	Liability Adjustment	1,858,000			642,000	2,500,000
10	1979 Plan Death Benefit	695,310	926	695,310		
11						
12						
13						
14						
15						
16						
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42						
43						
44						
45	Total	44,108,534		19,062,673	14,631,303	39,677,164

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Accumulated Deferred Income Taxes-Other Property (Account 282)</b>					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization. 2. For Other, include deferrals relating to other income and deductions.					
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 282				
2	Electric				
3	Gas	34,295,624	17,474,200		10,750
4	Water	1,900	( 1,200)		
5	Total (Enter Total of lines 2 thru 4)	34,297,524	17,473,000		10,750
6	Other (Specify) - See Note	( 5,322,965)	( 23,554)		( 50,740)
7	TOTAL Account 282 (Enter Total of lines 5 thr	28,974,559	17,449,446		( 39,990)
8	Classification of TOTAL				
9	Federal Income Tax	25,999,873	17,505,960		( 44,248)
10	State Income Tax	2,974,686	( 56,514)		4,258
11	Local Income Tax				

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004		Year of Report Dec. 31, 2003	
Accumulated Deferred Income Taxes-Other Property (Account 282) (continued)							
3. Add rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, 4.01, 4.02 and 6.01, 6.02, etc. Use separate pages as required.							
Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							
3			190	949,528			52,708,602
4							700
5				949,528			52,709,302
6			411.4	277,769			( 5,018,010)
7				1,227,297			47,691,292
8							
9				1,070,231			44,620,312
10				157,066			3,070,980
11							

Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
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**Accumulated Deferred Income Taxes-Other (Account 283)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.  
2. For Other, include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas	32,277,490	4,739,000	
4	Other (Define) (footnote details)			
5	Total (Total of lines 2 thru 4)	32,277,490	4,739,000	
6	Other (Specify) Purchase Accounting	10,818,884	4,542,500	
7	TOTAL Account 283 (Total of lines 5 thru	43,096,374	9,281,500	
8	Classification of TOTAL			
9	Federal Income Tax	37,625,060	8,093,800	
10	State Income Tax	5,471,314	1,187,700	
11	Local Income Tax			



Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
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**Accumulated Deferred Income Taxes-Other (Account 283) (continued)**

3. Provide in a footnote explanations for pages 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Add additional rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, 4.01, 4.02, and 6.01, 6.02, etc. Use separate pages as required.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							
3			211	682,569	165	331,947	37,367,112
4							
5				682,569		331,947	37,367,112
6			190	616,407			15,977,791
7				1,298,976		331,947	53,344,903
8							
9				1,132,840		331,947	46,519,753
10				166,136			6,825,150
11							

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003	
<b>Other Regulatory Liabilities (Account 254)</b>						
<p>1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).</p> <p>2. For regulatory liabilities being amortized, show period of amortization in column (a).</p> <p>3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.</p>						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Year (b)	DEBITS Account Credited (c)	DEBITS Amount (d)	Credits (e)	Balance at End of Year (f)
1	FAS 109 Regulatory Liability - Fed	2,975,275	411	277,769		2,697,506
2						
3	FAS 109 Regulatory Liability - State	7,555,352	411	1,126,424	( 300,743)	6,128,185
4						
5	Tax/Interest Refunds	5,415,192			159,602	5,574,794
6						
7	FAS 133	575,580	Various	20,654,848	20,281,825	202,557
8						
9	Conservation Escrow Funds	1,838,562	910	168,000		1,670,562
10						
11	Pensions	90,141,004	926	7,308,996		82,832,008
12						
13	Employee Benefits	57,304,000	926	5,484,000		51,820,000
14						
15	Environmental	3,624,353			875,160	4,499,513
16						
17						
18						
19						
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42						
43						
44						
45	<b>Total</b>	<b>169,429,318</b>		<b>35,020,037</b>	<b>21,015,844</b>	<b>155,425,125</b>

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Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Account 188)			
<p>1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D &amp; D) projects initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D &amp; D work carried on by the respondent in which there is a sharing of costs with others show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts.)</p> <p>2. Indicate in column (a) the applicable classification, as shown below.</p> <p>Classifications:</p> <p>A. Gas R, D &amp; D Performed Internally</p> <p>(1) Pipeline</p> <p>a. Design</p> <p>b. Efficiency</p>		<p>(2) Compressor Station</p> <p>a. Design</p> <p>b. Efficiency</p> <p>(3) System Planning, Engineering, and Operation</p> <p>(4) Transmission Control and Dispatching</p> <p>(5) LNG Storage and Transportation</p> <p>(6) Underground Storage</p> <p>(7) Other Storage</p> <p>(8) New Appliances and New Uses</p> <p>(9) Gas Exploration, Drilling, Production, and Recovery</p> <p>(10) Coal Gasification</p> <p>(11) Synthetic Gas</p> <p>(12) Environmental Research</p> <p>(13) Other (Classify and Include Items in Excess of \$5,000.)</p> <p>(14) Total Cost Incurred</p>	
Line No.	Classification (a)	Description (b)	
1	B(2)	Gas Research Institute	
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/29/04	Dec. 31, 2003

**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)**

- B. Gas, R, D & D Performed Externally
- (1) Research Support To American Gas Association
- (2) Research Support to Others (Classify)
- (3) Total Cost Incurred
3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A.(13) and B.(2)) classify items by type of R,D & D activity.
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107 (Construction Work in Progress) first. Show in column (f) the amounts related to the account charged in column (e).
5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188 Research, Development, and Demonstration Expenditures outstanding at the end of the year.
6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c),
7. Report separately research and related testing

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
	206,702	804	(206,702)	-	1
					2
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Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
<b>Distribution of Salaries and Wages</b>					
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided.					
In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)	
1	Electric				
2	Operation				
3	Production				
4	Transmission				
5	Distribution				
6	Customer Accounts				
7	Customer Service and Informational				
8	Sales				
9	Administrative and General				
10	TOTAL Operation (Total of lines 3 thru 9)				
11	Maintenance				
12	Production				
13	Transmission				
14	Distribution				
15	Administrative and General				
16	TOTAL Maintenance (Total of lines 12 thru 15)				
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)				
19	Transmission (Total of lines 4 and 13)				
20	Distribution (Total of lines 5 and 14)				
21	Customer Accounts (line 6)				
22	Customer Service and Informational (line 7)				
23	Sales (line 8)				
24	Administrative and General (Total of lines 9 and 15)				
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)				
26	Gas				
27	Operation				
28	Production - Manufactured Gas	3,728	162		3,890
29	Production - Natural Gas(Including Exploration and Development)				
30	Other Gas Supply	565,550			565,550
31	Storage, LNG Terminaling and Processing	21,630	585		22,215
32	Transmission	36,620	1,503		38,123
33	Distribution	11,084,524	172,866		11,257,390
34	Customer Accounts	6,428,144	53,880		6,482,024
35	Customer Service and Informational	5,112,221	844		5,113,065
36	Sales	227,408			227,408
37	Administrative and General	12,117,734	17,749		12,135,483
38	TOTAL Operation (Total of lines 28 thru 37)	35,597,559	247,589		35,845,148
39	Maintenance				
40	Production - Manufactured Gas	8,122	243		8,365
41	Production - Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminaling and Processing	4,180	71		4,251
44	Transmission	2,783	101		2,884
45	Distribution	5,417,494	155,654		5,573,148

Name of Respondent Wisconsin Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec. 31, 2003
Distribution of Salaries and Wages (continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)	
46	Administrative and General	30,669	654	31,323	
47	TOTAL Maintenance (Total of lines 40 thru 46)	5,463,248	156,723	5,619,971	
48	Gas (Continued)				
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)	11,850	405	12,255	
51	Production - Natural Gas (Including Expl. and Dev.)(ll. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)	565,550		565,550	
53	Storage, LNG Terminating and Processing (Total of ll. 31 and 43)	25,810	656	26,466	
54	Transmission (Total of lines 32 and 44)	39,403	1,604	41,007	
55	Distribution (Total of lines 33 and 45)	16,502,018	328,520	16,830,538	
56	Customer Accounts (Total of line 34)	6,428,144	53,880	6,482,024	
57	Customer Service and Informational (Total of line 35)	5,112,221	844	5,113,065	
58	Sales (Total of line 36)	227,408		227,408	
59	Administrative and General (Total of lines 37 and 46)	12,148,403	18,403	12,166,806	
60	Total Operation and Maintenance (Total of lines 50 thru 59)	41,060,807	404,312	41,465,119	
61	Other Utility Departments				
62	Operation and Maintenance	474,580	3,110	477,690	
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	41,535,387	407,422	41,942,809	
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant				
67	Gas Plant	9,001,027	154,321	9,155,348	
68	Other	181,821	3,117	184,938	
69	TOTAL Construction (Total of lines 66 thru 68)	9,182,848	157,438	9,340,286	
70	Plant Removal (By Utility Departments)				
71	Electric Plant				
72	Gas Plant	520,292	18,228	538,520	
73	Other	10,510	368	10,878	
74	TOTAL Plant Removal (Total of lines 71 thru 73)	530,802	18,596	549,398	
75	Other Accounts (Specify) (footnote details)	( 11,483,148)	( 583,456)	( 12,066,604)	
76	TOTAL Other Accounts	( 11,483,148)	( 583,456)	( 12,066,604)	
77	TOTAL SALARIES AND WAGES	39,765,889		39,765,889	

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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
FOOTNOTE DATA			

**Schedule Page: 110 Line No.: 67 Column: d**  
As restated (See Note O)

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 112 Line No.: 11 Column: d  
As Restated (See Note O)

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 114 Line No.: 70 Column: d  
As restated (See Note O)

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 117 Line No.: 4 Column: i  
As Restated (See Note O)

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
FOOTNOTE DATA			

**Schedule Page: 118 Line No.: 6 Column: d**  
As restated (See Note O)

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Wisconsin Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/29/2004	Dec 31, 2003
FOOTNOTE DATA			

**Schedule Page: 120 Line No.: 5 Column: b**

Debt expense amortization	\$146,270
Loss on reacquired debt amortization	3,564
Discount/Premium amortization	75,209
Clearing account depreciation	1,781,967
Non-utility depreciation	<u>29,942</u>
	\$2,036,952

**Schedule Page: 120 Line No.: 16 Column: b**

Other changes in working capital other than cash	\$2,711,834
Refundable gas costs	1,422,057
Pension & other postretirement benefits	(7,378,231)
Other current/non-current assets & liabilities	<u>(17,344,517)</u>
	\$(20,588,857)

**Schedule Page: 120 Line No.: 47 Column: b**

Gross removal	\$(1,487,590)
Gross salvage	230,092
Cash surrender value	( 877,271)
Customer advances for construction	( 794,097)
Other investments	<u>20,903</u>
	\$(2,907,963)

**Schedule Page: 120 Line No.: 56 Column: b**

Discount on new debt issue	\$(1,150,000)
Expense on new debt issue	<u>(320,512)</u>
	\$(1,470,512)

**Schedule Page: 120 Line No.: 5 Column: c**

Debt expense amortization	\$ 144,186
Loss on reacquired debt amortization	3,564
Discount/Premium amortization	67,223
Clearing account depreciation	875,031
Non-utility depreciation	<u>814,215</u>
	\$1,904,219

**Schedule Page: 120 Line No.: 16 Column: c**

Cumulative effect of change in accounting principle (See Note O)	\$295,000,000
Other changes in working capital other than cash	(2,803,728)
Refundable gas costs	<u>3,247,444</u>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
FOOTNOTE DATA			

Pension & other postretirement benefits	(11,363,429)
Other current/non-current assets & liabilities	<u>17,109,400</u>
	\$301,189,687

Schedule Page: 120 Line No.: 47 Column: c	
Gross removal	\$(1,283,727)
Gross salvage	872,611
Cash surrender value	( 607,512)
Customer advances for construction	382,559
Other investments	<u>11,581</u>
	\$( 624,488)

Schedule Page: 120 Line No.: 2 Column: c
As restated (See Note O)

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
FOOTNOTE DATA			

<b>Schedule Page: 230 Line No.: 5 Column: b</b>			
Public Benefit Fees	\$1,050,346		
Miscellaneous Prepayments	<u>(70,637)</u>		
	\$ 979,709		



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
FOOTNOTE DATA			

**Schedule Page: 233 Line No.: 1 Column: b**

Amount as restated (See Note O)

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
FOOTNOTE DATA			

**Schedule Page: 261 Line No.: 29 Column: a**

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME  
FOR FEDERAL INCOME TAXES**

Particulars (a)	Total Amount
Net Income for the Year (page 116)	36,795,387
Reconciling items for the year:	
Taxable Income Not Reported on Books:	
Total	0
Deductions Recorded on Books Not Deducted on Return:	
Provision for Deferred Taxes	26,476,999
Post-retirement Benefit Accrual (Net of Paid)	1,838,826
Purchase Gas Adjustment - True-up	1,582,057
Non-Deductible Meals	45,160
Total	29,943,042
Income Recorded on Books not Reported on Return:	
Federal and State Income Taxes (Current)	(5,483,728)
Non-Deductible Lobbying Expense	(150,000)
AFUDC	(4,452,594)
Investment Tax Credit - Net	(414,317)
Total	(10,500,639)
Deductions on Return not on Books:	
Tax Depreciation in Excess of Book Depreciation	(37,297,867)
Pension Accrual	(10,554,999)
Pension Accrual - Purchase Accounting	(7,308,996)
Post-retirement Benefit Accrual - Purchase Accounting	(4,008,996)
Stock Donation	(366,309)
Officers' Life Insurance Cash Surrender Value	(297,417)
Wisconsin Franchise Tax Accrued	(2,892,400)
Total	(62,726,984)
Taxable Income	(\$6,489,194)
Tax @ 35%	(\$2,271,218)
Plus Superfund Tax	0
Taxes Applicable to Current Year	(2,271,218)
Adjustment to Prior Year's Taxes	(5,395,800)
Other	(7,110)
Net Tax Accrual	(\$7,674,128)

Wisconsin Gas Company is a member of a consolidated group of companies filing a consolidated federal income tax return for the period ended 12/31/03 with its ultimate parent: Wisconsin Energy Corporation.

The tax liability of each company in the consolidated tax return is as if separate returns were filed by each of the individual companies.

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 6 Column: a

**WISCONSIN GAS  
COMPANY**

**FERC Form 2 Attachment - Pages 274 & 275  
2003**

Line 6 - Other

Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
		Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
Purchase Accounting	401,350		401,350
FAS 109 - Federal	(4,991,925)	(20,540)	(394,248)
FAS 109 - State	(732,390)	(3,014)	(57,842)
Total Line 6	(5,322,965)	(23,554)	(50,740)

Account (a)	CHANGES DURING YEAR		ADJUSTMENTS	
	Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits Acct. No. (g)	Amount (h)
Purchase Accounting				
FAS 109 - Federal			411.4	242,230
FAS 109 - State			411.4	35,539
Total Line 6	0	0		277,769

Account  (a)	ADJUSTMENTS		Balance at End of Year (k)
	Credits		
	Acct. No. (i)	Amount (j)	
Purchase Accounting			0
FAS 109 - Federal			(4,375,987)
FAS 109 - State			(642,023)
Total Line 6			0 (5,018,010)

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
FOOTNOTE DATA			

**Schedule Page: 276 Line No.: 3 Column: g**  
Deferred tax on mark to market entries recorded under FAS 133.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2004	Year of Report Dec 31, 2003
Wisconsin Gas Company			
FOOTNOTE DATA			

**Schedule Page: 354 Line No.: 75 Column: a**

Inter Company (Associated Companies)	\$(12,688,315)	\$ -	\$(12,688,315)
Nonoperating	414,872	11,034	425,906
Clearing Accounts (Fleet)	601,834	(601,834)	-
Deferred Debits	214,452	6,639	221,091
Other	(28,882)	705	(28,177)
Clearing Accounts-Other	2,891	-	2,891
Total	<u>\$(11,483,148)</u>	<u>\$(583,456)</u>	<u>\$(12,066,604)</u>



Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report December 31, 2003
TABLE OF CONTENTS - SUPPLEMENTAL WISCONSIN SCHEDULES			
Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages.		Omit pages where the responses are "none," "not applicable," or "NA."	
Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
<b>FINANCIAL SECTION</b>			
Return On Common Equity and Common Equity Plus ITC Computations	F-9	Ed. 12-89	
Return On Rate Base Computation	F-10	Ed. 12-89	
Revenues Subject to Wisconsin Remainder Assessment	F-10	Ed. 12-89	
Construction Overheads	F-16 thru F-17	Ed. 12-89	
Completed Construction Cleared	F-16 thru F-17	Ed. 12-89	
Investments And Funds (Accts. 123-128, incl.)	F-18	Ed. 12-89	
Notes Receivable and Accounts Receivable (Accounts 141 thru 143)	F-19	Ed. 12-89	
Accumulated Provision For Uncollectible Accounts - CR (Account 144)	F-20	Ed. 12-89	
Receivables From Associated Companies (Accounts 145 & 146)	F-22	Ed. 12-92	
Prepayments (Account 165)	F-22	Ed. 12-92	
Miscellaneous Current And Accrued Assets (Account 174)	F-22	Ed. 12-89	
Unamortized Debt Discount And Expense (Account 181)	F-24	Ed. 12-89	
And Unamortized Premium on Debt (Account 225)	F-25	Ed. 12-89	
Notes Payable (Account 231)	F-33	Ed. 12-89	
Payables To Associated Companies (Accounts 233 & 234)	F-34	Ed. 12-92	
Interest Accrued (Account 237)	F-34	Ed. 12-92	
Miscellaneous Current And Accrued Liabilities (Account 242)	F-34	Ed. 12-89	
Distribution Of Taxes To Accounts	F-36 thru F-37	Ed. 12-89	
Interest And Dividend Income (Account 419)	F-43	Ed. 12-89	
Detail Of Certain General Expense Accounts (Accounts 922 thru 926; 930.2)	F-50 thru F-51	Ed. 12-89	
Common Utility Plant And Accumulated Depreciation	F-52 thru F-53	Ed. 12-89	
<b>ELECTRIC OPERATING SECTION</b>			
Electric Expenses	E-1	Ed. 12-91	N/A
Sales To Ultimate Customers	E-2 thru E-4	Ed. 12-91	N/A
Power Cost Adjustment Clause	E-5 thru E-5	Ed. 12-91	N/A
Accumulated Provision For Depreciation Of Plant In Service (Account 108)	E-24 thru E-27	Ed. 12-91	N/A
Monthly Peaks And Output	E-29	Ed. 12-91	N/A
Generation Summary Worksheet	E-36 thru E-37	Ed. 12-91	N/A
Coal Contract Information - Specification And Costs	E-40 thru E-41	Ed. 12-91	N/A
Electric Distribution Lines	E-63	Ed. 12-91	N/A
Names of Cities, Villages And Towns	E-66 thru E-67	Ed. 12-91	N/A
<b>GAS OPERATING SECTION</b>			
Names of Cities, Villages and Towns	G-1 thru G-2	Ed. 12-89	
Gas Operating Expenses	G-3	Ed. 12-89	
Operating Revenues From Natural Gas Utility	G-4 thru G-5	Ed. 12-89	
Gas Operation & Maintenance Expenses	G-7 thru G-9	Ed. 12-89	
Detail Of Natural Gas City Gate Purchases (Account 804)	G-8 Supplement	Ed. 12-89	
Detail of Stored Gas Account (Account 164.1)	G-220 Supplement	Ed. 12-89	
Accumulated Provision For Depreciation of Gas Plant In Service (Account 108)	G-12 thru G-13	Ed. 12-89	
Gas Production Statistics (Accounts 712-742)	G-14	Ed. 12-89	
Gas Holders	G-14	Ed. 12-89	
Liquid Petroleum Gas Storage	G-14	Ed. 12-89	
Liquefied Natural Gas Stored (Account 164)	G-15	Ed. 12-89	
Liquefied Natural Gas Storage Statistics	G-15	Ed. 12-89	
Summary Of Gas Account	G-16 thru G-17	Ed. 12-89	
Summary Of System Load Statistics	G-16 thru G-17	Ed. 12-89	
Purchased Gas and Point of Metering	G-18 thru G-19	Ed. 12-89	
Gas Mains Classified By Types And Sizes	G-20	Ed. 12-89	
Gas Services (Located In Wisconsin)	G-21	Ed. 12-89	
Gas Services (Located Outside Wisconsin)	G-21	Ed. 12-89	
Gas Meters	G-22	Ed. 12-89	
Map of Gas Service Territory	G-22.1	Ed. 12-89	
Hirschman-Herfindahl Index Form	G-23	Ed. 12-89	

Name of Respondent Wisconsin Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report December 31, 2003
TABLE OF CONTENTS - SUPPLEMENTAL WISCONSIN SCHEDULES - (Continued)			
Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages.		Omit pages where the responses are "none," "not applicable", or "NA."	
Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
<b>WATER OPERATING SECTION</b>			
Water Operating Revenues and Expenses (Class A & B)	W-1	Ed. 12-89	
Other Operating Revenues	W-2	Ed. 12-89	
Water Operation And Maintenance Expenses	W-2 thru W-3	Ed. 12-89	
Water Utility Plant in Service	W-4 thru W-7	Ed. 12-89	
Accumulated Provision for Depreciation of Water Utility Plant	W-8 thru W-9	Ed. 12-89	
Depreciation Summary and Power and Pumping Equipment	W-10 thru W-12	Ed. 12-89	
Reservoirs, Standpipes and Water Treatment Plant	W-13 thru W-14	Ed. 12-92	
Sources of Water Supply - Surface Waters	W-15	Ed. 12-92	
Sources of Water Supply - Ground Waters	W-15	Ed. 12-89	
Water Mains	W-16	Ed. 12-89	
Water Services	W-16	Ed. 12-89	
Meters	W-17	Ed. 12-89	
Classification of All Meters at End of Year by Customers	W-17	Ed. 12-89	
Hydrants	W-18	Ed. 12-92	
Sales for Resale	W-18	Ed. 12-92	
Power, Pumping and Purchased Water Statistics	W-19	Ed. 12-89	



## RETURN ON COMMON EQUITY AND COMMON EQUITY PLUS ITC COMPUTATIONS

Note: Report on a corporate basis only; not consolidated. If you file monthly rate of return forms with the PSC, use the same method for completing this form. Use the average of the 12 monthly averages when computing average common equity.

Description (a)		Thousands of Dollars	
		Common Equity (b)	Common Equity plus ITC (c)
Common Stock Outstanding		\$ 9	\$ 9
Premium on Capital Stock	based on monthly	580,472	580,472
Capital Stock Expense	averages if available	-	-
Retained Earnings		(126,205)	(126,205)
Deferred Investment Tax Credit (Only common equity portion if Form PSC-AF6 is filed on monthly basis with the Commission)			3,122
Other (Specify): Accumulated Other Comprehensive Income		(354)	(354)
Total Average Common Stock Equity plus Deferred Investment Credit (sum of lines 14 thru 25)		453,922	457,044
Add:			
Net Income		36,795	36,795
Other (Specify):			
Less:			
Preferred Dividends			
Other (Specify): (If Form PSC-AF6 is filed with the Commission, net income must be reduced by that portion of net income representing debt cost of deferred investment tax credit as shown on the form.)			50
Adjusted Net Income		\$ 36,795	\$ 36,746
Percent return (line 43 divided by line 27 to the nearest hundredth of a percent)		8.11%	8.04%

May not cross-check due to rounding.

## RETURN ON RATE BASE COMPUTATION

Note: Report on a corporate basis only, not consolidated. If you file monthly rate of return forms with the PSC, use the same method for completing this form. Use the average of the 12 monthly averages when computing the rate base.

Thousands of Dollars

Average Rate Base (a)	Electric (b)	Gas (c)	Other (d)	Total (e)
Add Average:				
Utility Plant In Service		\$ 950,487	\$ 12,770	\$ 963,257
Allocation of Common Plant				-
Completed Construction Not Classified				-
Nuclear Fuel				-
Materials and Supplies		185,379	-	\$ 185,379
Other (Specify):				-
Less Average:				
Reserve for Depreciation		590,707	906	\$ 591,613
Amortization Reserves				-
Customer Advances for Construction		5,723	-	\$ 5,723
Contribution in Aid of Construction				-
Other (Specify):				-
Average Net Rate Base	\$ -	\$ 539,436	\$ 11,864	\$ 551,300
RETURN				
Total Operating Income		45,816	200	\$ 46,016
Less: (Specify):				-
Adjusted Operating Income	\$ -	\$ 45,816	\$ 200	\$ 46,016
Adjusted Operating Income As A Percent Of Average Net Rate Base (Rounded To Nearest Hundredth of a Percent)	0.00%	8.49%	1.68%	8.35%

## REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

Report data necessary to calculate revenue subject to Wisconsin remainder assessment. For purposes of this schedule "out-of-state" and "in-state" refer to the geographic state of Wisconsin

Description (a)	This Year (b)
Operating Revenues	\$ 714,812,773
Less: Out-of-state operating revenues	
Less: In-state interdepartmental sales	
Less: Current year write-offs of uncollectible accounts	
Wisconsin utility customers only	24,997,364
Plus: Current year collection of Wisconsin utility customer accounts previously written off	7,140,728
Other	
Revenues subject to Wisconsin remainder assessment	\$ 696,956,137

May not cross-check due to rounding.

**INTENTIONALLY LEFT BLANK**

## CONSTRUCTION OVERHEADS

Report hereunder the total overheads and the total direct cost of construction for the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

## ANNUAL CHARGES

Project Description (a)	DIRECT CHARGES			
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)
Transmission Plant	\$ 3,830	\$ 10,638	\$ 8,697	\$ 593
Distribution Plant	5,361,078	8,335,542	13,565,091	874,830
General Plant	41,943	4,457,608	570,719	69,221
Badger Ethanol	176	312	(986)	66
Bluff Creek	(6,010)	(175,306)	(99,633)	(79,565)
Boyceville/Baldwin Interconnect Phase II	1,040	2,021	28,004	1,219
Dallas Expansion	1,711	6,163	-	158
Ixonia (Guardian Lateral Proj)	405,866	14,299,560	49,243,365	12,701,498
Port Washington Lateral	196,540	573,301	577,207	1,543,463
Port Washington Road Reconstruction	10,308	203,771	854,411	18,024
Wheeler/Rice Lake Interrconnect	9,118	15,357	(61,572)	1,983
Total	\$ 6,025,600	\$ 27,728,967	\$ 64,685,303	\$ 15,131,490
% Of Total Direct Charges				

## COMPLETED CONSTRUCTION CLEARED

Report hereunder the total cost of completed construction projects cleared from account 107 during the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

Project Description (a)	DIRECT CHARGES			
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)
Transmission Plant	\$ 3,830	\$ 10,638	\$ 8,697	\$ 593
Distribution Plant	5,388,612	8,066,740	13,727,484	874,722
General Plant	359,514	4,117,526	519,403	1,237,729
178th & Cleveland Interconnect	-	-	-	-
Badger Ethanol Project	12,189	5,213	87,383	2,449
Bluff Creek	176	312	(986)	66
Bluff Creek	(6,010)	(175,306)	(99,633)	(79,565)
Boyceville/Baldwin Interconnect Phase II	1,040	2,021	28,004	1,219
Dallas Expansion Project	1,711	6,163	-	50
Ixonia (Guardian Lateral Proj)	1,124,746	14,611,971	50,279,106	26,024,851
Port Washington Road Reconstruction	10,308	193,908	854,411	18,024
Wheeler/Rice Lake Interrconnect	42,097	217,496	503,909	19,401
Total	\$ 6,938,213	\$ 27,056,682	\$ 65,907,778	\$ 28,099,539
% Of Total Direct Charges				

## CONSTRUCTION OVERHEADS (Continued)

Report hereunder the total overheads and the total direct cost of construction for the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

## ANNUAL CHARGES

OVERHEADS					
Total Direct Charges (f)	Engineering & Supervision (g)	Administration and General (h)	Allowance for Funds Used (i)	Taxes & Other (j)	Total Columns (f+g+h+i+j) (k)
\$ 23,758	\$ 1,110	\$ 587	\$ -	\$ 1,307	\$ 26,762
28,136,541	3,246,049	2,323,490	-	1,829,736	35,535,816
5,139,491	-	185,264	-	14,315	5,339,070
(432)	(221)	(38)	-	60	(631)
(360,514)	(26,853)	(17,708)	-	(2,051)	(407,126)
32,284	8,372	2,058	-	355	43,069
8,032	-	329	-	584	8,945
76,650,289	-	(41,047)	4,415,113	138,522	81,162,877
2,890,511	-	29,957	37,482	67,079	3,025,029
1,086,514	234,858	66,962	-	3,518	1,391,852
(35,114)	(16,718)	(2,689)	-	3,112	(51,409)
					-
					-
					-
\$ 113,571,360	\$ 3,446,597	\$ 2,547,165	\$ 4,452,595	\$ 2,056,537	\$ 126,074,254
	3.03%	2.24%	3.92%	1.81%	

## COMPLETED CONSTRUCTION CLEARED (Continued)

Report hereunder the total cost of completed construction projects cleared from account 107 during the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities, should be grouped by utility department and function.

OVERHEADS					
Total Direct Charges (f)	Engineering & Supervision (g)	Administration and General (h)	Allowance for Funds Used (i)	Taxes & Other (j)	Total Columns (f+g+h+i+j) (k)
23,758	\$ 1,110	\$ 587	\$ -	\$ 1,307	26,762
28,057,558	3,336,218	2,353,090	-	1,839,133	35,585,999
6,234,172	13,500	214,895	-	122,702	6,585,269
-	-	-	-	-	-
107,234	18,090	5,287	-	4,160	134,771
(432)	(221)	(38)	-	60	(631)
(360,514)	(26,853)	(17,708)	-	(2,051)	(407,126)
32,284	8,372	2,058	-	355	43,069
7,924	-	325	-	584	8,833
92,040,674	42863	104,241	6,112,935	383,876	98,684,589
1,076,651	234858	66,568	0	3,518	1,381,595
782,903	60209	36,532	0	14,368	894,012
\$ 128,002,212	\$ 3,688,146	\$ 2,765,837	\$ 6,112,935	\$ 2,368,012	\$ 142,937,142
	2.88%	2.16%	4.78%	1.85%	

## INVESTMENTS AND FUNDS (ACCTS. 123-128, incl.)

1. Report, with separate subheadings for each account the securities owned by the utility; include date of issue and date of maturity in description of any debt securities owned. Designate any securities pledged and explain purpose of pledge in footnote. Minor investments included in Acct. 124 may be grouped by classes.
2. Report separately each fund account showing nature of assets included therein and list any securities included in fund accounts.

Project Description (a)	Interest or Dividend Rate (b)	Par Value per Share (c)	No. of Shares or Principal Amount (d)	Book Cost End Of Year (e)
Account 124 - Other Investments				
Grand Avenue Corporation - (1) Common Stock			200 shares	\$ 200,000
Account 124 - Allowance to reduce investment cost to estimated market value.				(200,000)
TOTAL ACCOUNT 124				\$
Account 128 - Other Special Funds				
CSV Keyman Life Insurance				\$ 11,594,285
(1) Formerly Milwaukee Redevelopment Corp.				
Total				\$ 11,594,285

May not cross-check due to rounding.

## ACCOUNTS RECEIVABLE (Accts. 142-143)

Particulars (a)	Amount End Of Year (b)
Customer accounts receivable (142):	
Electric department	\$ -
Gas department	84,850,264
Water department	241,718
Total utility service	85,091,982
Merchandising, jobbing and contract work	19,922
Total (Acct. 142)	\$ 85,111,904
Other accounts receivable (143):	
Officers and employees	\$ -
All other (List separately only the large or unusual items):	
Gas Capacity Release Sales	15,981,247
Wisconsin Leasing LLC	1,000,000
Contributions in Aid of Construction - Main Extension	5,174,229
VEBA	35,094
Nonutility Services	460,416
Miscellaneous	24,328
Total (Acct. 143)	\$ 22,675,314

## ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (Acct. 144)

Particulars (a)	Electric Utility Customers (b)	Gas Utility Customers (c)	Water Other Customers (d)	Total Utility Customers (e)
Balance first of year	\$ -	\$ 18,337,724	\$ -	\$ 18,337,724
Add: Provision for uncollectibles during year		19,657,000	10,500	19,667,500
Collection of accounts written off		7,140,728	-	7,140,728
other credits (explain):		-		-
Total credits	-	26,797,728	10,500	26,808,228
Less: Accounts written off		24,988,878	8,486	24,997,364
other debits (explain):	-	-	-	-
Total debits		24,988,878	8,486	24,997,364
Balance end of year	\$ -	\$ 20,146,574	\$ 2,014	\$ 20,148,588

## ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (Acct. 144) (cont.)

Particulars (a)	Total Utility Customers (g)	Officers & Employees (h)	Other (i)	Total (j)
Balance first of year	\$ 18,337,724	\$ -	\$ 1,129,652	\$ 19,467,376
Add: Provision for uncollectibles during year	19,667,500	-	55,200	19,722,700
Collection of accounts written off	7,140,728	-	-	7,140,728
other credits (explain):	-	-		-
Total credits	26,808,228	-	55,200	26,863,428
Less: Accounts written off	24,997,364	-	-	24,997,364
other debits (explain): Sale of leasing services	-	-	-	-
Total debits	24,997,364	-	-	24,997,364
Balance end of year	\$ 20,148,588	\$ -	\$ 1,184,852	\$ 21,333,440
Loss on Wisconsin utility accounts:				
Accounts written off				\$ 24,997,364
Collection of such accounts previously written off				7,140,728
Net loss				\$ 17,856,636
Notes to explain "other" on lines 11, 14, 26 & 29 above:				

May not cross-check due to rounding.



## RECEIVABLES FROM ASSOCIATED COMPANIES (Accts. 145-146)

Give particulars of any notes pledged or discounted. Show in column (a) date of issue, maturity date, and interest rate for any notes receivable

Name of Company (a)	Amount end of year	
	Notes Receivable (Acct. 145) (b)	Accts Receivable (Acct. 146) (c)
Wicor, Inc		\$ 93,072
Wicor PCO		117,060
* Wisconsin Electric receivable and payable are netted on F-22 and F-34 pages; all other companies are reported gross.		
** Balance Sheet on pages 110-113 presents the net receivables from and net payables to associated companies by company.		
TOTAL		\$ 210,132

## PREPAYMENTS (ACCT. 165)

Class of prepayments (a)	Balance end of year (b)
Prepaid Insurance	\$ 1,456,137
Prepaid Taxes	19,225,199
T-2 Marketer Nominations	(74,237)
Miscellaneous Prepayments	3,600
Public Benefit Fees	1,050,346
	\$ 21,661,045

## MISCELLANEOUS CURRENT AND ACCRUED ASSETS (ACCT. 174)

Minor items may be grouped by classes, showing number of such items.

Description of Assets (a)	Balance end of year (b)
None	-
	\$ -

## UNAMORTIZED DEBT DISCOUNT AND EXPENSE

Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate subtotal therefor. Show in column (a) the method of amortization for each amount of debt discount and expense or premium.

Explain any charges or credits in column (c) and (d) other than amortization in Acct. 428 or 429.

Debt to which related  
(a)

Unamortized debt discount and expense (181/226):

Debt Discount and Expense

6.38% Notes due 2005

5.50% Notes due 2009

6.60% Note due 2013

5.20% Debenture due 2015

Total

Unamortized premium on debt (251):

Total

## AND UNAMORTIZED PREMIUM ON DEBT (Accts. 181, 225 and 226)

Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate subtotal therefor. Show in column (a) the method of amortization for each amount of debt discount and expense or premium.

Explain any charges or credits in column (c) and (d) other than amortization in Acct. 428 or 429.

Discount and expense or (net premium) balance first of year (b)	Charges during year (c)	Credits during year (d)	Balance end of year (e)
\$ 277,239	\$ -	\$ 97,662	\$ 179,577
489,287		80,677	408,609
355,505		33,070	322,435
-	1,150,000	10,070	1,139,930
\$ 1,122,031	\$ 1,150,000	\$ 221,479	\$ 2,050,551
			\$ -
			-
			-
			-
			-
			-
			-
			-
			-
\$ -	\$ -	\$ -	\$ -

## NOTES PAYABLE (Acct. 231)

Name of payee and purpose for which issued (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance end of year (e)
Deutsche Bank - Commercial Paper*	22-Dec-03	08-Jan-04	1.1500%	\$ 18,595,841
Deutsche Bank - Commercial Paper*	10-Dec-03	09-Jan-04	1.1500%	21,994,378
Deutsche Bank - Commercial Paper*	19-Dec-03	12-Jan-04	1.1500%	3,398,805
Deutsche Bank - Commercial Paper*	16-Dec-03	15-Jan-04	1.1500%	1,999,106
Deutsche Bank - Commercial Paper*	11-Dec-03	16-Jan-04	1.1500%	21,189,842
Deutsche Bank - Commercial Paper*	12-Dec-03	16-Jan-04	1.1500%	2,998,563
Deutsche Bank - Commercial Paper*	16-Dec-03	16-Jan-04	1.1500%	10,375,026
Deutsche Bank - Commercial Paper*	16-Dec-03	20-Jan-04	1.1500%	13,012,098
Deutsche Bank - Commercial Paper*	19-Dec-03	26-Jan-04	1.1500%	4,101,722
Deutsche Bank - Commercial Paper*	19-Dec-03	29-Jan-04	1.1500%	8,487,402
Deutsche Bank - Commercial Paper*	26-Dec-03	30-Jan-04	1.1500%	18,782,584
Deutsche Bank - Commercial Paper*	23-Dec-03	02-Feb-04	1.1500%	2,607,332
Deutsche Bank - Commercial Paper*	23-Dec-03	02-Feb-04	1.1500%	5,584,286
				-
				-
				-
				-
				-
				-
* Purpose for which issued: Working capital and other general corporate purposes.				
Total				\$ 133,126,982

## PAYABLES TO ASSOCIATED COMPANIES (Acct. 233-234)

Include in column (a) description of any note payable including date of issue, date of maturity, and interest rate.

Name of Company (a)	Amounts at end of year	
	Notes Payable (Acct. 233) (b)	Accts Payable (Acct. 234) (c)
WICOR, Inc.		\$ 41,307
Wisconsin Electric Power Company		10,688,874
* Wisconsin Electric receivable and payable are netted on F-22 and F-34 pages; all other companies are reported gross.		
** Balance Sheet on pages 110-113 presents the net receivables from and net payables to associated companies by company.		
<b>TOTAL</b>	\$ -	\$ 10,730,181

## INTEREST ACCRUED (Acct. 237)

Class of debt (a)	Balance end of year (b)
Unsecured Notes:	
6.38% Due 2005	\$ 690,625
5.50% Notes due 2009	1,260,417
6.60% Notes due 2013	866,250
5.20% Notes due 2015	379,167
Customer Deposits	5
	\$ 3,196,463

## MISC. CURRENT AND ACCRUED LIABILITIES (Acct. 242)

Minor items may be grouped by classes.	
Description (a)	Balance end of year (b)
True-up Liability & Refunds Due Gas Customers	\$ 5,057,105
Accrued salaries and wages	2,504,319
Accrued vacation payable	3,130,908
Severance Accruals	65,956
Accrued medical claims	797,980
Payroll related including taxes withheld and other payroll deductions	321,269
Gas Cost Recovery Mechanism	(160,000)
FAS 112 Liability	2,914,500
Other	904,280
	\$ 15,536,317

## DISTRIBUTION OF TAXES TO ACCOUNTS

Explain basis for allocation if used.

If the total does not equal taxes accrued, include a reconciling schedule.

Function (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	FICA and Fed. and State Un- employment Tax (e)
Accts. 408.1 and 409.1:				
Electric				
Gas	\$ 5,175,959	\$ 2,263,900	\$ (7,367,600)	\$ 3,082,800
Water	-	26,500	108,500	35,181
Heating	-	-	-	-
Accts. 408.2 and 409.2	-	(100,000)	(415,028)	-
Acct. 409.3	-	-	-	-
Clearing accounts	-	-	-	-
Construction	-	-	-	689,180
Other (specify):				
Removal costs (Acct 108)	-	-	-	-
Prepaid taxes (Acct 165)	-	-	-	-
Intercompany (Acct 146)	-	-	-	-
Inventory (Acct 164)	-	-	-	-
Nonutility	-	-	-	-
<b>Total</b>	<b>\$ 5,175,959</b>	<b>\$ 2,190,400</b>	<b>\$ (7,674,128)</b>	<b>\$ 3,807,161</b>

Notes and explanations regarding tax distribution:

## DISTRIBUTION OF TAXES TO ACCOUNTS (Continued)

Explain basis for allocation if used.

If the total does not equal taxes accrued, include a reconciling schedule.

PSC Remainder Assessment (f)	Local Property Tax (g)	State and Local Taxes Other Than Wisconsin (h)	Other Taxes (i)	Total (j)
\$ 526,923	\$ 24,406	\$ -	\$ 24,978	\$ 3,731,366
-	-	-	-	170,181
-	-	-	-	-
-	-	-	-	(515,028)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	689,180
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 526,923	\$ 24,406	\$ -	\$ 24,978	\$ 4,075,699

Notes and explanations regarding tax distribution:

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**INTEREST AND DIVIDEND INCOME (Acct. 419)**

Security or account on which received (a)	Interest or Dividend Rate (b)	Amount (c)
(list items greater than \$10,000 separately, others may be grouped):  Interest earned on: Judgment Interest Margin Account Miscellaneous		\$ (109,610) 20,816 508
Total interest and dividends		\$ (88,286)
Expenses applicable to above (as listed hereunder):		
Total expenses		\$ -
Interest and dividend income, before taxes		\$ (88,286)

May not cross-check due to rounding.

## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

Description of item (a)	Amount (b)
Acct. 923--OUTSIDE SERVICES EMPLOYED--State total cost, nature of service, and name of each person who was paid for services includible in this account, \$10,000 or more in case of Class B utilities and \$25,000 or more in case of Class A utilities.	
Gas Supply Consulting Inc. Consulting	\$ 458,166
Baker and Botts Legal	462,063
Deloitte & Touche Accounting	209,898
ASK Public Solutions Consulting & Public Relations	293,374
Michael Best & Friedrich LLP Legal	33,118
Perkins Coie LLP Consulting	67,809
Pope & Associates Consulting	46,018
Quarles & Brady Legal	71,339
Sonnenschein, Nath & Rosenthal Legal	121,540
Swidler, Berlin, Shereff, Friedman LLP Legal	271,825
The Lukaszewski Consulting	32,898
Towers Perrin Actuarial Services	65,313
Van Ness Feldman Consulting	79,568
Miscellaneous	7,300
<b>Total</b>	<b>\$ 2,220,229</b>
Acct. 924--PROPERTY INSURANCE--List hereunder major classes of expenses and also state extent to which utility is self-insured against insurable risks to its property:	
Premiums for insurance	\$ 144,110
Dividends received from insurance companies--cr.	
Amounts credited to Acct. 261, Property Insurance Reserve	
Other expenses (list major classes):	
<b>Total</b>	<b>\$ 144,110</b>
Acct. 925--INJURIES AND DAMAGES--List hereunder major classes of expense. Also, state extent to which utility is self-insured against risks of injuries and damages to employees or to others:	
Premiums for insurance	\$ 885,699
Dividends received from insurance companies--cr.	-
Amounts credited to Acct. 228, Injuries and Damages reserves	-
Expenses of investigating and adjusting claims	5,685
Cost of safety and accident-prevention activities	41,878
Other expenses (list major classes):	-
Worker's Compensation	266,235
Personal Injuries & Damages	(115,433)
Allocated expense	(4,580)
<b>Total</b>	<b>\$ 1,079,484</b>

May not cross-check due to rounding.

## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS (Cont.)

Description of item (a)	Amount (b)
Acct. 926--EMPLOYEE PENSIONS AND BENEFITS--Report total amount for utility hereunder and show credit for amounts transferred to construction or other accounts, leaving the net balance in Acct. 926	
Pension accruals or payments to pension fund	\$ 85,179
Pension payments under unfunded basis	-
Employees benefits (life, health, accident & hospital insur. etc.)	7,487,451
Expense of educational and recreational activities for employees	150,310
Other expenses (list major items) Purchase Accounting Pensions & Benefits	(11,317,992)
Pension expense - FASB 87	(10,136,463)
Employee savings plan	1,061,505
Post-retirement benefit expense - FAS 106	5,745,844
Long-term disability - formal plan	136,718
Employee pensions and benefits transferred to:	
Construction	(2,354,201)
Non-Utility	(83,305)
Removal & Salvage	(125,561)
Deferred Assets	(31,323)
Other	(2,236)
Total	\$ (9,384,074)
Acct. 930.2--MISCELLANEOUS GENERAL EXPENSES	
Industry association dues	\$ 206,288
Nuclear power research expenses	-
Other experimental and general research expenses	-
Expenses of corporate organization and of servicing outstanding securities of utility	-
Directors fees and expenses	3,124
Other expenses (list major items):	-
WEC allocation to WGC	808,284
Reversal of Year 2002 Patent Infringement Settlement	(250,000)
Corporate Memberships	150,206
Other	32,013
Total	\$ 949,915
Acct. 922--ADMINISTRATIVE EXPENSES TRANSFERRED--Cr.--Explain basis of computation of credit in this account.	
A & G expense transferred to construction and retirement work in progress	\$ (26,378)
A & G expense transferred to non-utility accounts	(1,428,659)
Total	\$ (1,455,037)

May not cross-check due to rounding.

### COMMON UTILITY PLANT AND ACCUMULATED DEPRECIATION

Utility Plant in Service					
Description (Use both title and account number) (a)	Additions during year (b)	Retirements during year (c)	Adjustments dr. or (cr.) (d)	Balance end of year	
				Total (e)	Located in Wis (f)
Intangible plt-common Organization					
Total intangible	\$ -	\$ -	\$ -	\$ -	\$ -
General plant Land & land rights (389) Structures & improv (390) Off furn & fixt (391) Transportation equip (392) Stores equip (393) Tools, shop & gar (394) Laboratory (395) Power operated (396) Communication (397) Miscellaneous (398) Other (399)	None				
Total general plant	-	-	-	-	-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -

### ALLOCATION TO UTILITY DEPARTMENTS

Particulars (a)	Plant end of year (b)	Accumulated deprec. end of year (c)	Depreciation accruals (d)
Electric			
Gas			
Water			
Steam Heating			
Total	\$ -	\$ -	\$ -

May not cross-check due to rounding.

## COMMON UTILITY PLANT AND ACCUMULATED DEPRECIATION (Cont.)

Accumulated provision for depreciation							
Straight line accruals		Additional accruals (i)	Book cost of plant retired (j)	Cost of removal (k)	Salvage (l)	Other additions or (deductions) (m)	Balance end of year (n)
Rate (g)	Amount (h)						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Explanation of method of allocating common plant, accumulated depreciation, and depreciation expense by utility departments.

May not cross-check due to rounding.

**INTENTIONALLY LEFT BLANK**

## NAMES OF CITIES, VILLAGES, AND TOWNS

NUMBER OF CUSTOMERS IN EACH SUPPLIED DIRECTLY WITH GAS BY REPORTING UTILITY AT END OF YEAR  
Report in alphabetical order first, cities, and second, incorporated villages. Next, Report towns in alphabetical order under each county, also listed in alphabetical order. Show total for each group and for total company.

Location	Customers end of year	Location	Customers end of year
(a)	(b)	(a)	(b)
<b>ADAMS COUNTY</b>		<b>BURNETT COUNTY- TOWNS (continued)</b>	
<b>CITIES</b>		Daniels	58
Adams	709	Dewey	26
<b>VILLAGES</b>		Grantsburg	89
Friendship	311	La Follette	77
<b>TOWNS</b>		Meenon	137
Adams	214	Oakland	69
Jackson	7	Rusk	8
Lincoln	14	Sand Lake	28
New Chester	118	Siren	200
Preston	172	Swiss	6
Richfield	9	Wood River	36
Rome	1,290	<b>TOTAL</b>	1,875
<b>TOTAL</b>	2,844	<b>CALUMET COUNTY</b>	
<b>BARRON COUNTY</b>		<b>VILLAGES</b>	
<b>CITIES</b>		Sherwood	847
Barron	1,103	<b>TOWNS</b>	
Chetek	877	Harrison	2,051
Cumberland	1,015	Woodville	66
Rice Lake	3,083	<b>TOTAL</b>	2,964
<b>VILLAGES</b>		<b>CHIPPewa COUNTY</b>	
Almena	263	<b>CITIES</b>	
Cameron	639	Bloomer	1,091
Haugen	100	Cornell	473
New Auburn	3	Stanley	764
Turtle Lake	353	<b>VILLAGES</b>	
<b>TOWNS</b>		Boyd	239
Almena	51	Cadott	493
Arland	7	New Auburn	166
Barron	77	<b>TOWNS</b>	
Chetek	312	Anson	332
Clinton	2	Delmar	23
Crystal Lake	39	Edson	1
Cumberland	50	Estella	18
Dovre	12	Goetz	11
Lakeland	3	Sigel	26
Maple Grove	3	Woodmohr	9
Maple Plain	1	<b>TOTAL</b>	3,646
Oak Grove	13	<b>CLARK COUNTY</b>	
Prairie Lake	269	<b>CITIES</b>	
Rice Lake	764	Abbotsford	562
Stanley	444	Colby	396
Sumner	2	Greenwood	392
Turtle Lake	11	Loyal	470
<b>TOTAL</b>	9,496	Neillsville	913
<b>BROWN COUNTY</b>		Owen	387
<b>VILLAGES</b>		Thorp	678
Pulaski	1,126	<b>VILLAGES</b>	
<b>TOWNS</b>		Curtiss	83
Holland	187	Dorchester	352
Pittsfield	18	Granton	114
<b>TOTAL</b>	1,331	Unity	61
<b>BURNETT COUNTY</b>		Withee	204
<b>VILLAGES</b>		<b>TOWNS</b>	
Grantsburg	503	Colby	31
Siren	362	Eaton	37
Webster	276	Fremont	90
		Grant	30

## NAMES OF CITIES, VILLAGES, AND TOWNS

NUMBER OF CUSTOMERS IN EACH SUPPLIED DIRECTLY WITH GAS BY REPORTING UTILITY AT END OF YEAR Report in alphabetical order first, cities, and second, incorporated villages. Next, Report towns in alphabetical order under each county, also listed in alphabetical order. Show total for each group and for total company.			
Location	Customers end of year	Location	Customers end of year
(a)	(b)	(a)	(b)
TOWNS (continued) - CLARK COUNTY		DUNN COUNTY	
Green Grove	5	VILLAGES	
Hixon	25	Boyceville	396
Hoard	20	Colfax	432
Loyal	12	Downing	73
Lynn	37	Knapp	76
Mayville	37	TOWNS	
Pine Valley	69	Colfax	6
Thorp	37	Stanton	4
Weston	52	Tiffany	34
Wither	29	TOTAL	1,021
York	8	EAU CLAIRE COUNTY	
TOTAL	5,131	CITIES	
COLUMBIA COUNTY		Augusta	545
CITIES		TOWNS	
Columbus	1,781	Bridge Creek	30
VILLAGES		Ludington	17
Fall River	501	TOTAL	592
TOWNS		FLORENCE COUNTY	
Columbus	37	TOWNS	
Fountain Prairie	81	Aurora	154
TOTAL	2,400	TOTAL	154
DANE COUNTY		FOND DU LAC COUNTY	
CITIES		VILLAGES	
Sun Prairie	8,832	Fairwater	161
VILLAGES		TOWNS	
Belleville	681	Metomen	2
Marshall	1,238	TOTAL	163
TOWNS		GRANT COUNTY	
Bristol	832	CITIES	
Burke	163	Boscobel	1,117
Medina	117	Cuba City	717
Montrose	75	Fennimore	952
Sun Prairie	504	Lancaster	1,377
York	9	VILLAGES	
TOTAL	12,451	Bloomington	154
DODGE COUNTY		Blue River	168
CITIES		Dickeyville	240
Columbus	0	Mount Hope	51
Hartford	12	Muscoda	527
VILLAGES		Patch Grove	43
Iron Ridge	357	TOWNS	
Neosho	196	Bloomington	1
TOWNS		Boscobel	136
Ashippun	403	Fennimore	34
Elba	167	Hazel Green	43
Herman	38	Jamestown	392
Hubbard	65	Liberty	68
Lebanon	290	Marion	41
Portland	88	Mount Hope	7
Rubicon	225	Muscoda	105
TOTAL	1,841	North Lancaster	7



## NAMES OF CITIES, VILLAGES, AND TOWNS

NUMBER OF CUSTOMERS IN EACH SUPPLIED DIRECTLY WITH GAS BY REPORTING UTILITY AT END OF YEAR Report in alphabetical order first, cities, and second, incorporated villages. Next, Report towns in alphabetical order under each county, also listed in alphabetical order. Show total for each group and for total company.			
Location	Customers end of year	Location	Customers end of year
(a)	(b)	(a)	(b)
<b>TOWNS (continued) - GRANT COUNTY</b>			
Paris	33	JACKSON COUNTY	
Patch Grove	10	CITIES	
Smelser	66	Black River Falls	1,295
South Lancaster	115	VILLAGES	
Watterstown	1	Alma Center	178
<b>TOTAL</b>	<b>6,405</b>	Hixton	177
		Merrillan	185
		Taylor	190
<b>GREEN COUNTY</b>			
CITIES		TOWNS	
Brodhead	1,061	Adams	73
Monroe	4,144	Albion	103
VILLAGES		Alma	45
Albany	417	Brockway	530
Belleville	47	Curran	6
Brownston	93	Hixton	9
Monticello	364	Springfield	6
New Glarus	811	<b>TOTAL</b>	<b>2,797</b>
TOWNS			
Albany	49		
Cadiz	10	JEFFERSON COUNTY	
Clamo	46	CITIES	
Decatur	270	Waterloo	1,182
Exeter	234	TOWNS	
Monroe	120	Waterloo	2
Mount Pleasant	3	<b>TOTAL</b>	<b>1,184</b>
New Glarus	45		
Spring Grove	8		
Washington	5	LACROSSE COUNTY	
<b>TOTAL</b>	<b>7,727</b>	VILLAGES	
		Bangor	422
		Rockland	174
		West Salem	1,585
<b>GREEN LAKE COUNTY</b>			
CITIES		TOWNS	
Markesan	621	Bangor	28
Princeton	665	Burns	51
VILLAGES		Hamilton	183
Kingston	140	<b>TOTAL</b>	<b>2,443</b>
Marquette	136		
TOWNS			
Brooklyn	105	LAFAYETTE COUNTY	
Green Lake	658	CITIES	
Kingston	110	Cuba City	85
Mackford	49	Shullsburg	533
Manchester	80	VILLAGES	
Marquette	38	South Wayne	145
Princeton	653	TOWNS	
<b>TOTAL</b>	<b>3,255</b>	Benton	21
		Elk Grove	6
		Shullsburg	11
		Wayne	7
		Wiota	14
<b>IOWA COUNTY</b>			
VILLAGES		<b>TOTAL</b>	<b>822</b>
Avoca	220		
Muscoda	34		
TOWNS			
Pulaski	18		
<b>TOTAL</b>	<b>272</b>		

## NAMES OF CITIES, VILLAGES, AND TOWNS

NUMBER OF CUSTOMERS IN EACH SUPPLIED DIRECTLY WITH GAS BY REPORTING UTILITY AT END OF YEAR  
Report in alphabetical order first, cities, and second, incorporated villages. Next, Report towns in alphabetical order under each county, also listed in alphabetical order. Show total for each group and for total company.

Location (a)	Customers end of year (b)	Location (a)	Customers end of year (b)
<b>MARATHON COUNTY</b>		<b>MILWAUKEE COUNTY</b>	
<b>CITIES</b>		<b>CITIES</b>	
Abbotsford	226	Glendale	5,395
Colby	201	Greenfield	1,834
Marshfield	207	Milwaukee	208,449
<b>VILLAGES</b>		St. Francis	1,030
Athens	426	Wauwatosa	18,897
Spencer	649	West Allis	24,650
Stratford	513	<b>VILLAGES</b>	
Unity	85	Bayside	1,594
<b>TOWNS</b>		Brown Deer	4,182
Brighton	22	Fox Point	2,598
Day	96	River Hills	630
Eau Claire	13	Shorewood	5,383
Holton	5	West Milwaukee	1,774
Hull	13	Whitefish Bay	5,326
Johnson	47	<b>TOTAL</b>	
McMillan	410		281,742
Richtbrock	15	<b>MONROE COUNTY</b>	
Spencer	126	<b>CITIES</b>	
<b>TOTAL</b>	<b>3,054</b>	Sparta	3,229
		Tomah	3,322
<b>MARINETTE COUNTY</b>		<b>VILLAGES</b>	
<b>CITIES</b>		Cashton	380
Niagara	559	Wyeville	55
<b>TOWNS</b>		<b>TOWNS</b>	
Niagara	73	Adrian	6
<b>TOTAL</b>	<b>632</b>	Angelo	133
		Byron	83
<b>MARQUETTE COUNTY</b>		Greenfield	94
<b>CITIES</b>		Jefferson	35
Montello	741	La Fayette	311
<b>VILLAGES</b>		LaGrange	1
Endeavor	185	Leon	67
Neshkoro	217	Portland	1
Oxford	244	Sparta	414
Westfield	555	Tomah	135
<b>TOWNS</b>		<b>TOTAL</b>	
Harris	118		8,266
Mecan	4	<b>OCONTO COUNTY</b>	
Montello	377	<b>CITIES</b>	
Moundville	42	Gillett	636
Neshkoro	143	Oconto Falls	1,040
Newton	9	<b>VILLAGES</b>	
Oxford	135	Pulaski	1
Packwaukee	549	<b>TOWNS</b>	
Shields	17	Chase	455
Springfield	73	Gillett	62
Westfield	189	Morgan	43
<b>TOTAL</b>	<b>3,598</b>	Oconto Falls	30
		Stiles	45
		Underhill	55
		<b>TOTAL</b>	
			2,367

## NAMES OF CITIES, VILLAGES, AND TOWNS

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Location	Customers end of year	Location	Customers end of year
(a)	(b)	(a)	(b)
<b>OUTAGAMIE COUNTY</b>		<b>PEPIN COUNTY</b>	
<b>CITIES</b>		<b>CITIES</b>	
Appleton	48	Durand	579
Kaukauna	4,639	<b>TOWNS</b>	
New London	562	Durand	79
Seymour	1,188	Waterville	108
<b>VILLAGES</b>		Waubeek	58
Bear Creek	160	<b>TOTAL</b>	
Black Creek	424		824
Combined Locks	1,059	<b>PIERCE COUNTY</b>	
Hortonville	903	<b>VILLAGES</b>	
Kimberly	2,761	Bay City	226
Little Chute	3,469	Ellsworth	1,161
Shiocton	330	Elmwood	330
<b>TOWNS</b>		Plum City	194
Black Creek	56	Spring Valley	461
Bovina	66	<b>TOWNS</b>	
Buchanan	2,122	Ellsworth	32
Dale	430	Gilman	28
Deer Creek	3	Hartland	2
Ellington	161	Isabelle	46
Freedom	1,075	Spring Lake	17
Grand Chute	63	Trenton	405
Greenville	29	Union	2
Hortonia	128	<b>TOTAL</b>	
Kaukauna	98		2,904
Maple Creek	2	<b>POLK COUNTY</b>	
Oneida	22	<b>CITIES</b>	
Osborn	91	Amery	1,078
Seymour	94	St. Croix Falls	783
Vanden Broek	305	<b>VILLAGES</b>	
<b>TOTAL</b>		Balsam Lake	598
	20,288	Centuria	295
<b>OZAUKEE COUNTY</b>		Clayton	169
<b>CITIES</b>		Clear Lake	420
Cedarburg	4,035	Dresser	319
Mequon	8,553	Frederick	468
Port Washington	3,947	Luck	467
<b>VILLAGES</b>		Milltown	372
Bayside	44	Osceola	772
Belgium	653	Turtle Lake	48
Fredonia	701	<b>TOWNS</b>	
Grafton	4,039	Apple River	10
Newburg	30	Balsam Lake	105
Saukville	1,493	Beaver	60
Thiensville	1,272	Black Brook	70
<b>TOWNS</b>		Clayton	84
Belgium	297	Clear Lake	4
Cedarburg	1,896	Farmington	5
Fredonia	377	Garfield	206
Grafton	1,394	Lincoln	517
Port Washington	375	Luck	46
Saukville	255	Milltown	92
<b>TOTAL</b>		Osceola	174
	29,361	St. Croix Falls	22
		West Sweden	24
		<b>TOTAL</b>	
			7,208

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Location (a)	Customers end of year (b)	Location (a)	Customers end of year (b)
<b>PORTAGE COUNTY</b>		<b>SHAWANO COUNTY-Continued</b>	
<b>VILLAGES</b>		<b>TOWNS</b>	
<b>TOWNS</b>		Angelica	233
Eau Claire	1	Belle Plaine	654
Grant	247	Green Valley	109
<b>TOTAL</b>	<b>248</b>	Hartland	12
<b>RICHLAND COUNTY</b>		Maple Grove	7
<b>CITIES</b>		Richmond	296
Richland Center	2,006	Washington	816
<b>TOWNS</b>		Waukechon	56
Buena Vista	201	Wescott	1,795
Ithaca	37	<b>TOTAL</b>	<b>8,029</b>
Orion	11	<b>SHEBOYGAN COUNTY</b>	
Richland	249	<b>VILLAGES</b>	
<b>TOTAL</b>	<b>2,504</b>	Adell	203
<b>ROCK COUNTY</b>		Cascade	234
<b>CITIES</b>		Cedar Grove	658
Evansville	1,690	Oostburg	902
<b>TOWNS</b>		Random Lake	565
Magnolia	2	Waldo	159
Spring Valley	12	<b>TOWNS</b>	
Union	407	Holland	473
<b>TOTAL</b>	<b>2,111</b>	Lima	416
<b>RUSK COUNTY</b>		Lyndon	168
<b>CITIES</b>		Scott	200
Ladysmith	1,442	Sherman	169
<b>VILLAGES</b>		Wilson	4
Bruce	364	<b>TOTAL</b>	<b>4,151</b>
Weyerhaeuser	149	<b>ST. CROIX COUNTY</b>	
<b>TOWNS</b>		<b>CITIES</b>	
Flambeau	109	Glenwood City	376
Grant	99	<b>VILLAGES</b>	
Grow	5	Baldwin	1,218
Strickland	1	Deer Park	82
Stubbs	18	Spring Valley	2
Thornapple	42	Star Prairie	225
<b>TOTAL</b>	<b>2,229</b>	Wilson	50
<b>SAWYER COUNTY</b>		Woodville	409
<b>CITIES</b>		<b>TOWNS</b>	
Hayward	962	Baldwin	45
<b>TOWNS</b>		Cady	46
Bass Lake	170	Cylon	7
Hayward	900	Eau Galle	19
<b>TOTAL</b>	<b>2,032</b>	Glenwood	9
<b>SHAWANO COUNTY</b>		Hammond	178
<b>CITIES</b>		Kinnickinnic	1
Shawano	3,264	Pleasant Valley	2
<b>VILLAGES</b>		Rush River	3
Bonduel	536	Springfield	28
Cecil	251	Stanton	6
Pulaski	0	Star Prairie	443
<b>SHAWANO COUNTY-Continued</b>		<b>TOTAL</b>	<b>3,149</b>
<b>TOWNS</b>		<b>TAYLOR COUNTY</b>	
<b>CITIES</b>		<b>CITIES</b>	
<b>TOTAL</b>		Medford	1,605

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<b>TAYLOR COUNTY-Continued</b>		<b>WASHINGTON COUNTY-TOWNS (Cont)</b>	
<b>VILLAGES</b>		Trenton	1,112
Stetsonville	207	Wayne	174
		West Bend	1,786
<b>TOWNS</b>		<b>TOTAL</b>	39,056
Deer Creek	1		
Little Black	79	<b>WAUKESHA COUNTY</b>	
Medford	140	<b>CITIES</b>	
<b>TOTAL</b>	2,032	Brookfield	8,116
		Milwaukee	0
<b>TREMPEALEAU COUNTY</b>		<b>VILLAGES</b>	
<b>CITIES</b>		Butler	961
Blair	483	Elm Grove	2,417
Osseo	688	Lannon	455
<b>VILLAGES</b>		Menomonee Falls	13,433
Pigeon Falls	128	Merton	0
<b>TOWNS</b>		Sussex	3,317
Pigeon	14	<b>TOWNS</b>	
Preston	7	Lisbon	3,346
Sumner	29	<b>TOTAL</b>	32,045
<b>TOTAL</b>	1,351		
<b>WASHBURN COUNTY</b>		<b>WAUPACA COUNTY</b>	
<b>CITIES</b>		<b>CITIES</b>	
Shell Lake	614	Clintonville	1,818
Spooner	1,015	New London-Waup	1,953
<b>TOWNS</b>		Waupaca	2,145
Bashaw	45	Weyauwega	710
Bass Lake	16	<b>VILLAGES</b>	
Beaver Brook	91	Embarass	153
Evergreen	109	Fremont	264
Spooner	91	<b>TOWNS</b>	
Springbrook	81	Bear Creek	21
Stinnett	15	Caledonia	116
Trego	104	Dayton	750
<b>TOTAL</b>	2,181	Farmington	1,156
		Fremont	74
<b>WASHINGTON COUNTY</b>		Larrabee	117
<b>CITIES</b>		Lebanon	43
Hartford	4,292	Lind	241
West Bend	9,510	Matteson	25
<b>VILLAGES</b>		Mukwa	545
Germantown	6,781	Royalton	24
Jackson	2,164	Waupaca	103
Kewaskum	1,098	Weyauwega	43
Newburg	342	<b>TOTAL</b>	10,301
Slinger	1,496		
<b>TOWNS</b>		<b>WAUSHARA COUNTY</b>	
Addison	944	<b>CITIES</b>	
Barton	681	Wantoma	833
Eria	745	<b>VILLAGES</b>	
Farmington	595	Coloma	191
Germantown	116	Hancock	200
Hartford	1,242	Lohrville	186
Jackson	966	Plainfield	336
Kewaskum	73	Red Granite	460
Polk	1,195	Wild Rose	344
Richfield	3,744	<b>TOWNS</b>	
		Coloma	174

## NAMES OF CITIES, VILLAGES, AND TOWNS

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Location	Customers end of year	Location	Customers end of year
(a)	(b)	(a)	(b)
<b>WAUSHARA COUNTY-TOWNS (Cont)</b>			
Dakota	299		
Hancock	92		
Leon	191		
Marion	793		
Mt. Morris	86		
Oasis	4		
Plainfield	26		
Poysippi	140		
Richford	23		
Rose	3		
Saxeville	106		
Springwater	513		
Warren	65		
Wautoma	245		
<b>TOTAL</b>	<b>5,310</b>		
<b>WINNEBAGO COUNTY</b>			
<b>TOWN</b>			
Wolf River	9		
<b>TOTAL</b>	<b>9</b>		
<b>WOOD COUNTY</b>			
<b>CITIES</b>			
Marshfield	6,839		
Nekoosa	922		
Pittsville	240		
Wisconsin Rapids	7,023		
<b>VILLAGES</b>			
Arpin	109		
Anburndale	239		
Biron	336		
Hewitt	218		
Milladore	104		
Port Edwards	683		
Rudolph	175		
Vesper	222		
<b>TOWNS</b>			
Arpin	28		
Anburndale	19		
Cameron	81		
Dexter	1		
Grand Rapids	2,751		
Hansen	2		
Lincoln	90		
Marshfield	53		
Milladore	29		
Port Edwards	130		
Richfield	31		
Rock	8		
Rudolph	51		
Saratoga	1,098		
Seneca	100		
Sherry	39		
Sigel	45		
Wood	20		
<b>TOTAL</b>	<b>21,686</b>		
<b>COMPANY TOTAL</b>	<b>569,482</b>		

## GAS OPERATING EXPENSES

Particulars (a)	Wisconsin Jurisdictional Operations (b)	Other Jurisdictional Operations (c)	Total Operations (d)
<b>OPERATING EXPENSES</b>			
Manufactured gas production expenses (700-742)	\$ 27,139	\$ -	\$ 27,139
Purchased gas expenses (804-813)	508,476,655	-	508,476,655
Total production expenses	508,503,794	-	508,503,794
Storage expenses (840-848.3)	68,598	-	68,598
Transmission expenses (850-867)	54,546	-	54,546
Distribution expenses (870-894)	25,623,340	-	25,623,340
Customer accounts expenses (901-905)	28,224,466	-	28,224,466
Customer service expenses (907-910)	13,494,960	-	13,494,960
Sales promotion expenses (911-916)	226,497	-	226,497
Administrative and general expenses (920-935)	24,054,274	-	24,054,274
Total operation and maintenance	600,250,475	-	600,250,475
Depreciation expense (403)	37,227,157	-	37,227,157
Amortization limited-term utility investment (404)	-	-	-
Amortization of other utility plant (405)	2,950	-	2,950
Amortization utility plant acquisition adjustment (406)	-	-	-
Amortization of property losses (407.1)	-	-	-
Amortization of conversion expenses (407.2)	-	-	-
Taxes other than income taxes (408.1)	8,810,660	-	8,810,660
Income taxes (409.1)	(5,103,700)	-	(5,103,700)
Deferred income taxes, utility operating income (410.1 & 411.1)	26,478,199	-	26,478,199
Investment tax credit adj utility oper, (411.4)	(414,317)	-	(414,317)
Total operating expenses	\$ 667,251,424	\$ -	\$ 667,251,424

May not cross-check due to rounding.

## OPERATING REVENUES FROM NATURAL GAS UTILITY

Report data by rate schedule (including unbilled revenues and therms), classified between space heating and non-space heating customers and show totals for each account 480-484 incl. Report average number of customers on basis of number of meters. Where meters are added for billing purposes count one customer for each group of meters so added. Compute averages on basis of 12 month end figures. For industrial interruptible sales, report data by priority of interruption if not provided for by separate rate schedules.

Other operating revenues:

Report succinct statement of the revenues in each account showing separate totals for each account.

Report name of lessee and description of property for major items of rent revenue. Group other rents by classes.

Report basis of charges for any interdepartmental rents.

Report details of major items in Acct. 495 and group other items.

Rate schedule (a)	Wisconsin Geographical Operations		
	Revenues (b)	Therms (c)	Customers (d)
Acct 480 - Residential			
Residential Non-Heating GS-1	\$ 9,162,844	8,877,410	26,834
Residential Heating GS-1	442,656,111	483,882,073	485,585
Total Acct 480	451,818,955	492,759,483	512,419
Acct 481 - Commercial and Industrial			
Commercial Non-Heating CGS-1	9,204,077	11,882,365	2,839
Commercial Heating CGS-1	162,573,160	207,261,386	44,821
Industrial General CGS-1	1,864,245	2,448,358	143
Industrial Heating - CGS-1	12,586,958	16,464,139	865
Industrial Large Volume Firm LVF-1	31,545,087	43,577,861	603
Industrial Interruptible NGV-1, ACD-I	151,772	228,588	9
II-I5	12,864,136	20,451,122	39
Sales to End-users through Marketers	1,304,454		
Total Acct 481	232,093,889	302,313,819	49,319
Total Gas Distribution Sales	683,912,844	795,073,302	561,738
Acct 489 - Transportation Gas			
Firm	10,131,290	143,697,872	826
Interruptible	14,616,362	344,161,861	253
Total Acct 489	24,747,652	487,859,733	1,079
Total All Gas Sales	708,660,496	1,282,933,035	562,817
Acct 484 - Sales Interdepartmental	-	N/A	N/A
Acct 483 - Sales for Resale	20,755	N/A	N/A
Acct 487 - Late Payment Charges	4,056,949	N/A	N/A
Acct 488 - Miscellaneous Service Revenue	1,636,766	N/A	N/A
Acct 493 - Rent from Other Gas Property	36,600	N/A	N/A
Acct 495 - Other Gas Revenues:			
True-up Over-recovery	(4,368,310)	N/A	N/A
Retailer's discount on Wisconsin sales tax collections	66,619	N/A	N/A
Treble Damages	(1,682)	N/A	N/A
Other	-	N/A	N/A
Acct 497 - Penalty Revenue	-	N/A	N/A
Acct 498 - Utility Incentive Revenues	2,960,000	N/A	N/A
TOTAL WISCONSIN	\$ 713,068,193	1,282,933,035	562,817

May not cross-check due to rounding.



**OPERATING REVENUES FROM NATURAL GAS UTILITY (CONT.)**

Rate schedule  (a)	Out-of-State Geographical Operations		
	Revenues (b)	Therms (c)	Customers (d)
TOTAL OUT-OF-STATE	-	-	-
TOTAL UTILITY	\$ 713,068,193	1,282,933,035	562,817

May not cross-check due to rounding.

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## GAS OPERATION AND MAINTENANCE EXPENSES

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)
MANUFACTURED GAS PRODUCTION EXPENSES (List applicable prescribed accounts)			
LIQUIFIED PETROLEUM GAS (LPG) PROD:			
Other Power Expenses (712)	\$ -	\$ -	\$ -
LPG Expenses (717)	6,438	3,890	2,548
LPG (728)	4,704	-	4,704
Gas Mixing Expenses (733)	2,117	-	2,117
Miscellaneous Expenses (735)	-	-	-
Maint. of Structures/Improvements (741)	4,816	3,218	1,598
Maint. of LPG Equipment (742)	9,064	5,147	3,917
Total manufactured gas production expenses	\$ 27,139	\$ 12,255	\$ 14,884

May not cross-check due to rounding.

## GAS OPERATION AND MAINTENANCE EXPENSES (Cont.)

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)
<b>PURCHASED GAS EXPENSES</b>			
Natural gas city gate purchases (804) inc. storage withdrawals	\$ 508,121,784	\$ 565,550	\$ 507,556,234
Other gas purchases (805)	-	-	-
Purchased gas expenses (807)	270,460	-	270,460
Gas withdrawn from stor.--Debit (808.1) LNG only	84,411	-	84,411
Gas delivered to stor.--Credit (808.2) LNG only	-	-	-
Gas used for other ut. op.--Cr. (812)	-	-	-
Other gas supply expenses (813)	-	-	-
<b>Total purchased gas expenses</b>	<b>\$ 508,476,655</b>	<b>\$ 565,550</b>	<b>\$ 507,911,105</b>
<b>STORAGE EXPENSES</b>			
Operation supervision and eng. (840)	\$ -	-	\$ -
Operation labor and expenses (841)	33,580	22,215	11,365
Rents (842)	-	-	-
Fuel (842.1)	-	-	-
Power (842.2)	-	-	-
Gas losses (842.3)	-	-	-
Maint. supervision and eng. (843.1)	-	-	-
Maint. of struct. & improv. (843.2)	1,792	1,418	374
Maintenance of gas holders (843.3)	-	-	-
Maint. of purification equip. (843.4)	-	-	-
Maint. of liquefaction equip. (843.5)	-	-	-
Maint. of vapor. equip. & other (843.6-843.9)	33,226	2,833	30,393
<b>Total storage expenses</b>	<b>\$ 68,598</b>	<b>\$ 26,466</b>	<b>\$ 42,132</b>
<b>TRANSMISSION EXPENSES</b>			
Operation supervision and eng. (850)	\$ -	\$ -	\$ -
Sys. control & load dispatching (851)	-	-	-
Communications system expenses (852)	-	-	-
Compressor stat. labor & expen. (853)	-	-	-
Gas for compressor station fuel (854)	-	-	-
Other fuel & power for com. sta. (855)	-	-	-
Mains expenses (856)	25,631	18,418	7,213
Measuring & reg. stat. expenses (857)	25,038	19,705	5,333
Trans. & comp. of gas by others (858)	-	-	-
Other expenses (859)	-	-	-
Rents (860)	-	-	-
Maint. supervision & engineer. (861)	-	-	-
Maint. of struct. & improv. (862)	-	-	-
Maintenance of mains (863)	2,220	1,490	730
Maint. of compr. stat. equip. (864)	-	-	-
Maint. of meas. & reg. st. eq. (865)	1,657	1,394	263
Maint. of communication equip. (866)	-	-	-
Maintenance of other equipment (867)	-	-	-
<b>Total transmission expenses</b>	<b>\$ 54,546</b>	<b>\$ 41,007</b>	<b>\$ 13,539</b>
<b>DISTRIBUTION EXPENSES</b>			
Operation supervision & engin. (870)	\$ 1,411,980	\$ 1,282,087	\$ 129,893
Distribution load dispatching (871)	301,566	242,645	58,921
Compressor stat. labor & expen. (872)	-	-	-
Compressor station fuel & power (873)	-	-	-
Mains and services expenses (874)	5,933,905	2,106,662	3,827,243
Meas. & reg. stat. expen.--Gen. (875)	891,502	469,444	422,058
Meas. & reg. stat. expen.--Ind. (876)	-	-	-
<b>Subtotal--dist. exp.--carried forward</b>	<b>\$ 8,538,953</b>	<b>\$ 4,100,838</b>	<b>\$ 4,438,115</b>

May not cross-check due to rounding.

## GAS OPERATION AND MAINTENANCE EXPENSES (Cont.)

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)
dist. exp. (Amount brought forward)	8,538,953	\$ 4,100,838	\$ 4,438,115
Meas. & reg. sta. ex.-City gate (877)	1,316,043	368,779	947,264
Meter & house regulator expenses (878)	1,585,337	1,839,233	(253,896)
Customer installations expenses (879)	2,044,016	2,099,173	(55,157)
Other expenses (880)	3,415,845	2,849,367	566,478
Rents (881)	-	-	-
Maint. supervision & eng. (885)	668,248	593,205	75,043
Maint. of struct. & improv. (886)	-	-	-
Maintenance of mains (887)	2,831,238	1,576,132	1,255,106
Maint. of compres. stat. equip. (888)	-	-	-
Maint. of meas. & reg. st. eq.-Gen. (889)	786,593	604,367	182,226
Maint. of meas. & reg. st. eq.-In. (890)	-	-	-
Maint. of meas. & reg. st. eq.-City (891)	209,190	127,984	81,206
Maintenance of services (892)	2,705,477	1,799,514	905,963
Maint. of meters and house reg. (893)	1,360,984	799,743	561,241
Maintenance of other equipment (894)	161,416	72,203	89,213
Total distribution expenses	\$ 25,623,340	\$ 16,830,538	\$ 8,792,802
CUSTOMER ACCOUNTS EXPENSES			
Supervision (901)	\$ 206,714	\$ 112,242	\$ 94,472
Meter reading expenses (902)	3,059,381	1,290,382	1,768,999
Customer records & collect. exp. (903)	8,746,080	5,079,400	3,666,680
Uncollectible accounts (904)	16,176,550	-	16,176,550
Miscell. customer accts. expen. (905)	35,741	-	35,741
Total customer accts. expenses	\$ 28,224,466	\$ 6,482,024	\$ 21,742,442
CUSTOMER SERVICE EXPENSES			
Supervision (907)	\$ 211,794	\$ 160,704	\$ 51,090
Customer assistance expenses (908)	12,699,310	4,952,361	7,746,949
Informational advertising expenses (909)	734,612	-	734,612
Miscell. customer accts. expen. (910)	(150,756)	-	(150,756)
Total customer service expenses	\$ 13,494,960	\$ 5,113,065	\$ 8,381,895
SALES PROMOTION EXPENSES			
Supervision (911)	\$ -	\$ -	\$ -
Demonstrating & selling expenses (912)	226,497	227,408	(911)
Advertising expenses (913)	-	-	-
Miscell. sales expenses (916)	-	-	-
Total sales promotion expenses	\$ 226,497	\$ 227,408	\$ (911)
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and general salaries (920)	\$ 11,526,575	\$ 11,610,868	\$ (84,293)
Office supplies and expenses (921)	18,176,129	(5,548)	18,181,677
Admin. expenses transferred--cr. (922)	(1,453,309)	-	(1,453,309)
Outside services employed (923)	2,217,916	-	2,217,916
Property insurance (924)	142,793	-	142,793
Injuries and damages (925)	1,076,870	-	1,076,870
Employee pensions and benefits (926)	(9,500,079)	12	(9,500,091)
Regulatory commission expenses (928)	722,043	516,897	205,146
Duplicate charges--cr. (929)	-	-	-
Instit. or goodwill advert. (930.1)	20,541	401	20,140
Miscellaneous general expense (930.2)	941,300	12,853	928,447
Rents (931)	-	-	-
Maintenance of general plant (935)	183,495	31,323	152,172
Total administ. & gen. expenses	\$ 24,054,274	\$ 12,166,806	\$ 11,887,468
Total gas operat. & maint. expenses	\$ 600,250,475	\$ 41,465,119	\$ 558,785,356

May not cross-check due to rounding.

## DETAIL OF NATURAL GAS CITY GATE PURCHASES, ACCOUNT 804

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)
<b>PURCHASED GAS EXPENSES</b>			
Wages and Salaries (804.11)	\$ 525,691	\$ 523,331	\$ 2,360
Supplies and Expenses (804.12)	67,623	42,219	25,404
Miscellaneous Purchased Gas Expenses (804.13)	-	-	-
Gas Contract Reservation Fees (804.21)	4,461,451	-	4,461,451
Gas Contract Commodity Costs (804.22)	269,726,796	-	269,726,796
Spot Gas Commodity Costs (804.23)	255,386,656	-	255,386,656
Other Gas Purchases (804.24)	6,936,962	-	6,936,962
Gas Surcharges (804.25)	-	-	-
Financial Instruments Expenses (804.26)	950,634	-	950,634
Gas Purchase Miscellaneous Expenses (804.27)	-	-	-
Purchased Gas Sold - Credit (804.32)	(91,051,320)	-	(91,051,320)
Gas Commodity Cost Transferred to Storage - Credit (804.33)	(125,570,919)	-	(125,570,919)
Gas Used in Utility Operations - Credit (804.34)	(1,150,869)	-	(1,150,869)
Gas Used for Transmission Pumping and Compression - Credit (804.35)	(11,886,187)	-	(11,886,187)
<b>Total Purchased Gas Expenses</b>	<b>\$ 308,396,518</b>	<b>\$ 565,550</b>	<b>\$ 307,830,968</b>
<b>TRANSMISSION EXPENSES</b>			
Transmission Contract Reservation Fees (804.41)	\$ 76,979,719	\$ -	\$ 76,979,719
Commodity Transmission Fees (804.42)	1,901,889	-	1,901,889
Gas Transmission Surcharges (804.43)	3,930,046	-	3,930,046
Gas Transmission Fuel Expenses (804.44)	11,886,187	-	11,886,187
No-notice Services Expenses (804.45)	3,801,577	-	3,801,577
Other Transmission Fees and Expenses (804.46)	21,511	-	21,511
Miscellaneous Transmission Expenses (804.48)	-	-	-
Penalties, Unauthorized Use and Overrun, Utility (804.49)	64,699	-	64,699
Penalties, Unauthorized Use and Overrun, End-user (804.51)	-	-	-
Transmission Services Sold - Credit (804.52)	(6,331,299)	-	(6,331,299)
Gas Transmission Expenses Transferred to Storage - Credit (804.53)	(859,868)	-	(859,868)
Gas Transmission Expenses Used in Utility Operations - Credit (804.54)	-	-	-
<b>Total Transmission Expenses</b>	<b>\$ 91,394,461</b>	<b>\$ -</b>	<b>\$ 91,394,461</b>
<b>STORAGE EXPENSES</b>			
Storage Reservation Fees (804.61)	23,153,196	\$ -	23,153,196
Storage Gas Withdrawn from Storage - Debit (804.62)	85,177,609	-	85,177,609
Storage Penalties (804.63)	-	-	-
Storage Capacity Released or Sold (804.72)	-	-	-
<b>Total Storage Expenses</b>	<b>\$ 108,330,805</b>	<b>\$ -</b>	<b>\$ 108,330,805</b>
<b>Total Expenses - Account 804</b>	<b>\$508,121,784</b>	<b>\$565,550</b>	<b>\$507,556,234</b>

May not cross-check due to rounding.

Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003
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**DETAIL OF STORED GAS ACCOUNT (ACCOUNT 164.1)**

1. If during the year adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the MCF and dollar amount of adjustment, and account charged or credited.
2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year.
4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year.
5. Report pressure base of gas volumes as 14.73 psia at 60 Degrees F.

Line No.	Description (a)	Commodity Storage Fees Account 164.11 (b)	Commodity Injection Fees Account 164.12 (c)	Commodity Withdrawal Fees Account 164.13 (d)	Other Storage Fees Account 164.14 (e)	Stored Gas Withdrawn for Sale Account 164.16 (f)
1	Balance at Beginning of Year					
2	Gas Delivered to Storage	-	322,292	-	35,412	-
3	Gas Withdrawn from Storage	-	-	-	-	(986,358)
4	Other Debits or Credits (Net)	-	-	-	-	-
5	Balance at End of Year	\$ -	\$ 322,292	\$ -	\$ 35,412	\$ (986,358)
6	Therms	-	238,092,880	-	238,092,880	(2,063,820)
7	Amount Per Therm	\$ -	\$ 0.001	\$ -	\$ -	\$ 0.478

Line No.	Description (g)	Gas Comodity Costs Transferred to Storage - Debit Account 164.33 (h)	Gas Transmission Expense Transferred to Storage - Debit Account 164.53 (i)	Stored Gas Withdrawn for System Use Account 164.62 (j)	Stored Gas Forfeited Account 164.63 (k)	Total Account 164.1 (l)
8	Balance at Beginning of Year					59,290,336
9	Gas Delivered to Storage	125,570,918	502,164	-	-	126,430,786
10	Gas Withdrawn from Storage	-	-	(84,780,552)	-	(85,766,910)
11	Other Debits or Credits (Net)	-	-	-	-	-
12	Balance at End of Year	\$ 125,570,918	\$ 502,164	\$ (84,780,552)	\$ -	\$ 99,954,212
13	Therms	238,092,880	238,092,880	(215,162,480)	-	198,279,900
14	Amount Per Therm	\$ 0.527	\$ 0.002	\$ 0.394	\$ -	\$ 0.504

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Wisconsin Gas Company		(1) [X] An Original (2) [ ] A Resubmission		(Mo, Da, Yr) 03/29/04		Dec. 31, 2003	
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS PLANT IN SERVICE (108)							
Line No.	Account  (a)	Balance first of Year (b)	S.L. Depr Rate % used (c)	Accruals During year		Book cost of plant retired (f)	
				Straight line Amount (d)	CIAC Amortization (e)		
1							
2							
3							
4							
5							
6	2. Manufactured Gas Production Plant						
7							
8	305 Structures and Improvements	\$ 124,237	3.50	\$ 5,706		\$ -	
9	306 Boiler Plant Equipment	-		-		-	
10	307 Other Power Equipment	-		-		-	
11	308 Coke Ovens	-		-		-	
12	309 Producer Gas Equipment	-		-		-	
13	310 Water Gas Generating Equipment	-		-		-	
14	311 Liquefied Petroleum Gas Equipment	-		-		-	
15	312 Oil Gas Generating Equipment	-		-		-	
16	313 Generating Equipment - Other Processes	-		-		-	
17	314 Coal, Coke and Ash Handling Equipment	-		-		-	
18	315 Catalytic Cracking Equipment	-		-		-	
19	316 Other Reforming Equipment	-		-		-	
20	317 Purification Equipment	-		-		-	
21	318 Residual Refining Equipment	-		-		-	
22	319 Gas Mixing Equipment	410,208	3.33	18,586		148,488	
23	320 Other Equipment	-		-		-	
24	TOTAL Manufactured Gas Production Plant	534,445		24,292	-	148,488	
25	Other Storage Plant						
26							
27	361 Structures and Improvements	102,551	6.00	2,074		-	
28	362 Gas Holders	1,020,150	5.50	18,702		-	
29	363 Purification Equipment	-		-		-	
30	363.1 Liquefaction Equipment	-		-		-	
31	363.2 Vaporizing Equipment	113,042	5.50	2,072		-	
32	363.3 Compressor Equipment	-		-		-	
33	363.4 Meas. and Reg. Equipment	7,471	5.25	131		-	
34	363.5 Other Equipment	107,207	5.25	1,876		-	
35	TOTAL Other Storage Plant	1,350,421		24,855	-	-	
36	4. Transmission Plant						
37							
38							
39	366 Structures and Improvements	198,749	3.06	24,408		3,597	
40	367 Mains	5,311,541	3.06	715,727		-	
41	368 Compressor Station Equipment	-		-		-	
42	369 Measuring and Reg. Sta. Equipment	(194,848)	3.06	47,241		-	
43	370 Communication Equipment	81,332	6.67	6,122		-	
44	371 Other Equipment	-		-		-	
45	TOTAL Transmission Plant	5,396,774		793,498	-	3,597	
	108.20 Retirement Work in Progress	\$ (72,753)		\$ -	\$ -	\$ -	



Name of Respondent Wisconsin Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/04	Year of Report Dec. 31, 2003			
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS PLANT IN SERVICE (108)						
Cost of Removal (g)	Salvage (h)	Other additions (deductions) (i)	Balance end of Year (j)	(k)	(l)	Line No.
						1
						2
						3
						4
						5
						6
						7
\$ -	\$ -	\$ -	\$ 129,943	305		8
-	-	-	-	306		9
-	-	-	-	307		10
-	-	-	-	308		11
-	-	-	-	309		12
-	-	-	-	310		13
-	-	-	-	311		14
-	-	-	-	312		15
-	-	-	-	313		16
-	-	-	-	314		17
-	-	-	-	315		18
-	-	-	-	316		19
-	-	-	-	317		20
-	-	-	-	318		21
(33,149)	-	b (7,831)	305,624	319		22
-	-	-	-	320		23
(33,149)	-	(7,831)	435,567			24
						25
-	-	b 305	104,930	361		26
-	-	-	1,038,852	362		27
-	-	-	-	363		28
-	-	-	-	363		29
-	-	-	115,114	363		30
-	-	-	-	363		31
-	-	-	7,602	363		32
-	-	-	109,083	363		33
		305	1,375,581			34
						35
						36
-	-	b (31,116)	188,444	366		37
-	-	-	6,027,268	367		38
-	-	-	-	368		39
(122,040)	-	-	(25,567)	369		40
-	-	-	87,454	370		41
-	-	-	-	371		42
(122,040)	-	(31,116)	6,277,599			43
						44
		a \$ (122,278)	\$ (195,031)	108		45

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Wisconsin Gas Company		(1) [X] An Original (2) [ ] A Resubmission		(Mo, Da, Yr) 03/29/04		Dec. 31, 2003	
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS PLANT IN SERVICE (cont.)							
Line No.	Account  (a)	Balance first of Year (b)	S.L. Depr Rate % used (c)	Accruals During year		Book cost of plant retired (f)	
				Straight line Amount (d)	CIAC Amortization (e)		
46	5. Distribution Plant						
47							
48	375 Structures and Improvements	\$ 575,974	2.88	\$ 33,580		\$ -	
49	376 Mains	181,085,644	2.67	9,534,229		1,337,921	
50	377 Compressor Station Equipment	-		-		-	
51	378 Meas. and Reg. Sta. Equip.-General	5,840,266	4.00	645,237		70,989	
52	379 Meas. and Reg. Sta. Equip.-City Gate	2,675,011	3.43	322,788		79,161	
53	380 Services	194,844,859	5.00	13,731,811		1,266,454	
54	381 Meters	26,467,252	3.88	2,325,816		631,833	
55	382 Meter Installations	48,988,166	4.50	3,042,612		236,520	
56	383 House Regulators	8,037,395	3.68	519,208		25,521	
57	384 House Reg. Installations	-		-		-	
58	385 Industrial Meas. and Reg. Sta. Equipment	919,693	6.67	239,467		-	
59	386 Other Prop. on Customers' Premises	-		-		-	
60	387 Other Equipment	6,023,331	20.00	153,148		-	
61	TOTAL Distribution Plant	475,457,591		30,547,896	-	3,648,399	
62	6. General Plant						
63							
64	390 Structures and Improvements	11,038,948	2.33	556,340		36,761	
65	391 Office Furniture and Equipment	11,468,027	(1)	1,941,872		10,331,739	
66	392 Transportation Equipment	2,838,026	(2)	1,325,945		1,340,237	
67	393 Stores Equipment	16,843	6.67	6,436		-	
68	394 Tools, Shop, and Garage Equipment	5,490,253	6.67	215,538		5,063,458	
69	395 Laboratory Equipment	189,480	6.67	14,677		-	
70	396 Power Operated Equipment	1,815,770	(2)	456,249		487,113	
71	397 Communication Equipment	33,098,740	10.00	3,052,603		33,731,768	
72	398 Miscellaneous Equipment	623,564	6.67	48,923		575,021	
73	Subtotal	66,579,651		7,618,583	-	51,566,097	
74	399 Other Tangible Property	-		-	-	-	
75	TOTAL General Plant	66,579,651		7,618,583	-	51,566,097	
76	TOTAL (Accounts 108)	549,246,129		39,009,124	-	55,366,581	
77		-		-	-	-	
78		-		-	-	-	
79		-		-	-	-	
80	TOTAL	\$ 549,246,129		\$ 39,009,124	\$ -	\$ 55,366,581	
81							
82							
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89							
90							

Name of Respondent Wisconsin Gas Company		This Report Is: (1) [X] An Original (2) [ ] A Resubmission		Date of Report (Mo, Da, Yr) 03/29/04		Year of Report Dec. 31, 2003	
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS PLANT IN SERVICE (108)							
Cost of Removal (g)	Salvage (h)	Other additions (deductions) (i)	Balance end of Year (j)		(k)	(l)	Line No.
					Total Deprec. exp. (cols. (d) and (e))	39,009,124	46
		b \$ 32,043	\$ 641,597	375	Less amounts charged to clearing accounts	1,782,194	47
324,664	-	b,d 3,956	188,961,244	376	Plus allocation of deprec. on common plant	227	48
-	-	b 9,845	6,388,944	377	Total gas deprec. expense	\$ 37,227,157	49
35,415	-	b (10,750)	2,720,990	378			50
186,898	-	b (11,971)	206,576,131	379			51
722,114	-	b	28,180,286	380	Total Balance (col (j))	531,525,031	52
-	19,051	b 8,192	51,652,527	381	Plus allocation of reserve on common plant	-	53
149,923	-	b (22)	8,531,060	382	Total depr. res. for gas util.	531,525,031	54
-	-		-	383	Explanation of items in col. ( c )		55
-	-		1,159,160	384	(1) 391.10 Off. Furn. & Equipment - General	6.67	56
-	-		6,176,479	385	391.20 Off. Furn. & Equipment - Computers	33.33	57
1,419,014	19,051	31,293	500,988,418	386	391.30 Off. Furn. & Equipment - Office Equipment	33.33	58
					391.40 Off. Furn. & Equipment - Gen. Plant - Software	33.33	59
5,760	-	b 7,526	11,560,293	390	(2) Depreciation is on a unit basis		60
-	-		3,078,160	391	Explanation of items in col. ( i )		61
16,272	104,897	c (58,529)	2,853,830	392	a) A/C 108.20 Net change in retirement work in progress		62
-	-		23,279	393	b) Plant Reclasses:		63
135	7,960	b -	650,158	394	from 319 to 390	\$ 7,831	64
-	-		204,157	395	from 366 to 375	\$ 31,116	65
5,195	88,662	(83,467)	1,784,906	396	from 378 to 375	\$ 274	66
28,927	-	b -	2,390,648	397	from 378 to 379	\$ 3,015	67
-	-		97,466	398	from 379 to 375	\$ 93	68
56,289	201,519	(134,470)	22,642,897		from 379 to 378	\$ 13,672	69
				399	from 380 to 376	\$ 3,779	70
56,289	201,519	(134,470)	22,642,897		from 380 to 382	\$ 8,192	71
1,320,114	220,570	(264,097)	531,525,031		from 383 to 375	\$ 22	72
					from 390 to 361	\$ 305	73
					c) Transferred vehicle from non-utility to utility acct 392	\$ 30,097	74
					d) Transferred from 376 to Water Utility acct 343	\$ 177	75
\$ 1,320,114	\$ 220,570	\$ (264,097)	\$ 531,525,031				76
							77
							78
							79
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							89
							90

## GAS PRODUCTION STATISTICS (Accts. 712-742)

Location of plant (a)	Type of plant (b)	Maximum daily capacity Therms (c)	Therms produced during year (d)	Total investment end of year (e)	Total production expense for year (f)
Monroe, WI	Liquified Petroleum Gas	0	0	43,345	
Tomah, WI	Liquified Petroleum Gas	14,700		584,308	27,139
<b>TOTAL</b>		<b>14,700</b>	<b>0</b>	<b>627,653</b>	<b>27,139</b>

## GAS HOLDERS

	Telescopic & piston holders	Pressure holders
None		

## LIQUID PETROLEUM GAS STORAGE

Report hereunder number of liquid petroleum gas storage tanks and total capacity in gallons by location.

<u>Location</u>	<u>Number of Tanks*</u>	<u>Total Capacity</u>
Monroe, WI	-	-
Tomah, WI	4	120,000

\*Each tank has 30,000 gallons water capacity.

May not cross-check due to rounding.

## LIQUEFIED NATURAL GAS STORED (ACCT. 164.2 - 164.3)

Particulars (a)	Amount \$ (b)	Amount Therms (c)
Balance, beginning of year	\$ 42,868	45,621
Gas delivered to storage	217,795	167,844
Gas withdrawn from storage (debit account 808)	(84,411)	(77,135)
Other transactions or adjustments (explain):		
Balance, end of year	\$ 176,253	136,330

## LIQUEFIED NATURAL GAS STORAGE STATISTICS

Location of plant (a)	Total storage capacity therms (b)	Maximum daily capacity Therms (c)	Total investment end of year (d)	Maximum day's withdrawal (e)	Total production expense for year (f)
Rice Lake, WI	174,300	36,750	\$ 1,374,820	N/A	N/A

May not cross-check due to rounding.

## SUMMARY OF GAS ACCOUNT

Report below the specified information for each operating area constituting a separate system.

Particulars (a)	Total all systems therms (b)	System therms (c)	System therms (d)
System Name			
Gas produced (gross):			
Propane - air	-		
Other gas	-		
Total gas produced	-	-	-
Gas purchased:			
Natural	818,999,732		
Other gas	(90,709)		
Total gas purchased	818,909,023	-	-
Add: Gas withdrawn from storage	210,991,570		
Less: Gas delivered to storage	240,274,600		
Total (lines 14 + 18 + 19 - 20)	789,625,993	-	-
Transport gas received	485,551,745		
Total gas del. to mains (lines 21 + 22)	1,275,177,738	-	-
Gas sold (incl. interdepartmental)	795,073,302		
Gas used by utility	1,939,924		
Transport gas delivered	487,859,733		
Total (lines 24 + 25 + 26)	1,284,872,959	-	-
Gas unaccounted for (lines 23 - 27)	(9,695,221)	-	-

## SUMMARY OF SYSTEM LOAD STATISTICS

Report below the specified information for each operating area constituting a separate system.

Particulars (a)	Total all systems therms (b)	System therms (c)	System therms (d)
System Name			
Maximum send-out in any one day	8,595,320		
Date of such maximum	January 22, 2003		
Maximum daily capacity:			
Total manufactured-gas production capacity			
Liquefied natural gas storage capacity	36,750		
Maximum daily purchase capacity	9,178,070		
Total maximum daily capacity: production liquefied natural gas storage, and purchases	9,214,820	-	-
Monthly send-out: January	149,013,244		
February	130,361,211		
March	102,482,958		
April	63,177,980		
May	34,886,390		
June	20,026,141		
July	16,721,467		
August	15,811,535		
September	21,798,445		
October	44,516,935		
November	81,797,104		
December	109,032,583		
Total send-out	789,625,993	-	-

May not cross-check due to rounding.

[illegible]

System therms (e)	System therms (f)	System therms (g)	System therms (h)	System therms (i)	System therms (j)
-	-	-	-	-	-
-	-	-	-	-	-

## PURCHASED GAS

Report below the specified information for each point of metering.

Particulars (a)	(b)	(c)	(d)
Name of vendor: Various			
Points of metering: Abbottsford, Adams, Angelica Int, Arpin, Bear Creek, Bonduel, Capitol Dr, Cecil, Clintonville, Columbus, Dale, Fairwater, Fredonia, Freedom, Fremont/Readville, Gillett, Hartford, Hortonville, Jackson, Little Chute, Marshfield, Menomonsee Falls, Milladore, Milwaukee, Neshkoro, New London, Oconto Falls, Oxford, Princeton, Pulaski, Pulcoifer, Rudolph, Seymour, Shawano, Sun Prairie, Waterloo, Waupaca, West Bend, Weyauwega, Wild Rose, Wisconsin Rapids, Embarrass, Amurndale, Cadott, Dresser, Greenwood, Colfax, Boyceville, Chili, Black Brook, Wheeler, Boyceville, Niagara			
Type of gas purchased:	Natural	Natural	Natural
Therms of gas purchased per pipeline rate schedules: Includes Purchases, Accruals, and Net Storage	461,507,250	46,522,690	1,894,550
Total cost of gas purchased:	\$273,304,746	\$28,820,950	\$2,244,268
Average cost per therm of gas purchased:	\$0.5922	\$0.6195	\$1.1846
Maximum therms purchased in any one day:	7,064,230	222,540	125,440
Date of such maximum purchase:	01/22/03	01/22/03	01/22/03
Name of vendor: Various			
Points of metering: Albany, Arkansas, Augusta, Baldwin, Black River Falls, Blair, Brodhead, Brownstown, Cashton, Cuba City, Durand, Ellsworth, Elmwood, Eagle Interconnect, Evansville, Frederic, Grantsburg, Hager City, John Rieban, Ladysmith, Lancaster, Monroe, Osseo, Plum city, Richland Center, Robert Sies (Bellville), E Robieson, Shullsburg, Spring Valley, Tomah, Walworth, Bluff Creek			
Type of gas purchased:	Natural	Natural	
Therms of gas purchased per pipeline rate schedules: Includes Purchases, Accruals, and Net Storage	212,293,580	117,686,500	
Total cost of gas purchased:	\$117,765,698	\$86,632,788	
Average cost per therm of gas purchased:	\$0.5547	\$0.7361	
Maximum therms purchased in any one day:	992,400	303,610	
Date of such maximum purchase:	01/22/03	01/22/03	
Name of vendor: Various			
Points of metering:			
Type of gas purchased:			
Therms of gas purchased per pipeline rate schedules: Includes Purchases, Accruals, and Net Storage			
Total cost of gas purchased:			
Average cost per therm of gas purchased:			
Maximum therms purchased in any one day:			
Date of such maximum purchase:			



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## POINT OF METERING

Point of metering and delivery				
Vendor	No.	Type of Gas Purchased	Therms of Gas Purchased Per Pipeline Rate Schedules	Total Cost of Gas
	1	Natural	18,365,790	\$ 10,309,409
	2	Natural	59,271,830	31,016,739
	3	Natural	18,144,000	9,056,669
	4	Natural	4,568,600	2,150,539
	5	Natural	224,586,200	127,851,483
	6	Natural	25,010,630	12,672,139
	7	Natural	4,767,200	1,981,412
	8	Natural	35,581,390	18,275,922
	9	Natural	1,773,580	1,083,858
	10	Natural	1,314,480	755,069
	11	Natural	109,514,540	57,520,849
	12	Natural	3,940,200	2,638,108
	13	Natural	88,771,630	50,323,845
	14	Natural	13,426,130	8,715,701
	15	Natural	7,394,410	3,495,690
	16	Natural	18,186,880	11,178,915
	17	Natural	10,143,850	5,039,865
	18	Natural	6,460,850	3,821,877
	19	Natural	49,687,740	25,071,281
	20	Natural	1,284,260	729,600
	21	Natural	50,480,120	25,408,927
	22	Natural	65,456,820	33,411,215
	23	Natural	116,925,470	58,828,953
	24	Natural	8,347,880	4,196,487
	25	Natural	7,919,280	3,587,697
	26	Natural	5,215,680	2,720,963
	27	Natural	1,055,450	621,925
	28	Natural	26,881,610	13,654,883
	29	Natural	756,280	490,000
	30	Natural		
	31	Natural		
	32	Natural		
	33	Natural		
	34	Natural		
	35	Natural		
Pipeline cashout	36	Natural	1,086,220	515,746
Pipeline costs	37	Natural		63,529,521
Pipeline costs	38	Natural		12,548,657
Pipeline costs	39	Natural		4,288,419
Pipeline costs	40	Natural		1,190,884
Pipeline costs	41	Natural		29,966,922
Gas Inventory Reservation	42	Natural		1,937,728
Gas Inventory Reservation	43	Natural		1,681,414
Gas Inventory Reservation	44	Natural		842,308
Risk Management	45	Natural		950,634
Undertake	46	Natural	5,576,429	3,252,880
Storage Injects	47	Natural	(240,274,600)	(126,430,787)
Storage W/D	48	Natural	210,991,570	85,266,724
Off System Sales	49	Natural	(172,895,700)	(91,350,833)
Off System Margin	50	Natural		(6,031,786)
	51	Natural		
Total	52	Natural		
	53	Natural		
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	70	Totals	789,716,699	\$ 508,768,451

## POINT OF METERING

Point of metering and delivery					
Average Cost Per Therm of Gas Purchased Per Pipeline Rate Schedule			Maximum Therms Purchased in Any One Month	Date of Such Maximum Purchase Da/Mo/Yr	Average Btu Content Per Cu. Ft. of Gas
Commodity	Demand	Transportation**			
56.13	1.0125		4,057,770	January	
52.33	0.5559		12,523,990	December	
49.92	0.0073		5,952,950	October	
47.07			2,972,350	October	
56.93			27,042,010	July	
50.67	0.0548		5,926,130	May	
41.56	1.6217		905,610	July	
51.36	0.0783		9,654,030	December	
61.11			307,210	January	
57.44			830,820	February	
52.52	0.9082		14,249,970	December	
66.95	0.1503		1,357,180	January	
56.69	0.3366		9,155,830	March	
64.92	0.0784		4,746,120	March	
47.27			2,900,490	October	
61.47	0.1687		5,189,700	January	
49.68	1.3147		1,196,100	February	
59.15	1.0251		2,083,240	March	
50.46	0.0630		11,595,250	November	
56.81			1,185,480	February	
50.33	0.0469		7,915,920	January	
51.04			10,621,160	June	
50.31			25,892,490	December	
50.27			2,582,930	October	
45.30			4,957,440	November	
52.17			2,235,520	May	
58.93			623,680	May	
50.80			6,351,790	October	
64.79			404,440	March	

## GAS MAINS CLASSIFIED BY TYPES AND SIZES

Classification (a)	Wisconsin		Other		Total	
	No. of feet beg. of year (b)	No. of feet end of year (c)	No. of feet beg. of year (d)	No. of feet end of year (e)	No. of feet beg. of year (f)	No. of feet end of year (g)
Cast Iron:						
12 inches	-	-			-	-
16 inches	-	-			-	-
20 inches	-	-			-	-
24 inches	-	-			-	-
inches					-	-
inches					-	-
inches					-	-
inches					-	-
Total	-	-	-	-	-	-
Steel:						
<1-1/2 inches	2,361,357	2,349,393			2,361,357	2,349,393
2 inches	8,844,334	8,808,567			8,844,334	8,808,567
3 inches	5,405,800	5,384,262			5,405,800	5,384,262
4 inches	4,292,122	4,286,387			4,292,122	4,286,387
6 inches	2,635,989	2,637,188			2,635,989	2,637,188
8 inches	1,856,861	1,881,491			1,856,861	1,881,491
10 inches	24,178	24,178			24,178	24,178
12 inches	570,075	564,215			570,075	564,215
14 inches	63,187	63,187			63,187	63,187
16 inches	99,829	127,191			99,829	127,191
18 inches	14,515	14,515			14,515	14,515
20 inches	381,954	383,104			381,954	383,104
22 inches	71,236	71,236			71,236	71,236
24 inches	163,846	181,222			163,846	181,222
26 inches	3,776	3,776			3,776	3,776
30 inches	24,652	163,014			24,652	163,014
inches	-	-			-	-
Total	26,813,711	26,942,926	-	-	26,813,711	26,942,926
Plastic:						
5/8 inches	46,545	46,274			46,545	46,274
3/4 inches	118,365	117,585			118,365	117,585
1 inches	9,125	8,743			9,125	8,743
1-1/8 inches	28,930	28,760			28,930	28,760
1-1/4 inches	5,873,671	5,945,146			5,873,671	5,945,146
2 inches	11,217,564	11,635,924			11,217,564	11,635,924
3 inches	4,368,710	4,455,061			4,368,710	4,455,061
4 inches	3,665,667	3,956,185			3,665,667	3,956,185
6 inches	454,956	484,329			454,956	484,329
8 inches	34	34			34	34
Total	25,783,567	26,678,041	-	-	25,783,567	26,678,041
Other (specify):						
Copper						
1-1/8 inches	15,939	15,521			15,939	15,521
Fiberglass						
2 inches	391,341	389,621			391,341	389,621
3 inches	84,459	84,405			84,459	84,405
4 inches	20,152	20,152			20,152	20,152
	-	-			-	-
	-	-			-	-
Total	511,891	509,699	-	-	511,891	509,699
Total	53,109,169	54,130,666	-	-	53,109,169	54,130,666

**GAS SERVICES (LOCATED IN WISCONSIN)**

Number of services should include only those owned by utility.

Size (a)	Number added during year		Number retired during year		Total services end of year	
	Main to Building (b)	On customers premises (c)	Main to Building (d)	On customers premises (e)	Main to Building (f)	On customers premises (g)
Steel						
<3/4"	86	-	807	-	104,879	-
1 - 1-1/2"	(2)	-	119	-	10,257	-
2 - 2-1/2"	3	-	38	-	2,375	-
3"	1	-	8	-	614	-
4"	(1)	-	3	-	205	-
6"	-	-	3	-	92	-
8"	-	-	-	-	15	-
12"	-	-	-	-	5	-
Total Steel	87	-	978	-	118,442	-
Copper						
<5/8"	12	-	-	-	125	-
1-1/8 & 1-3/8"	(13)	-	190	-	24,766	-
Total Copper	(1)	-	190	-	24,891	-
Plastic						
<3/4"	6,872	-	1,475	-	301,335	-
1-1/8"	(32)	-	165	-	27,730	-
1-1/4"	1,259	-	36	-	5,736	-
2"	53	-	9	-	1,304	-
3"	18	-	3	-	342	-
4"	2	-	-	-	103	-
6"	-	-	-	-	6	-
Total Plastic	8,172	-	1,688	-	336,556	-
Total	8,258	-	2,856	-	479,889	-

**GAS SERVICES (LOCATED OUTSIDE WISCONSIN)**

**Number of services should include only those owned by utility.**

(a)	(b)	(c)	(d)	(e)	(f)	(g)
none						
Total	-	-	-	-	-	-
G. Total (Lines 34 & 53)	8,258	-	2,856	-	479,889	

Have inactive services been retired in accordance with requirements of paragraph C of Account 380 of

**Uniform System of Accounts? Yes**

Have inactive services been disconnected from the gas supply in accordance with section 192.727(g) of the Wisconsin Administrative Code? Yes

**NOTE: Services are recorded as one unit, Main-to-Building.**

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## GAS METERS

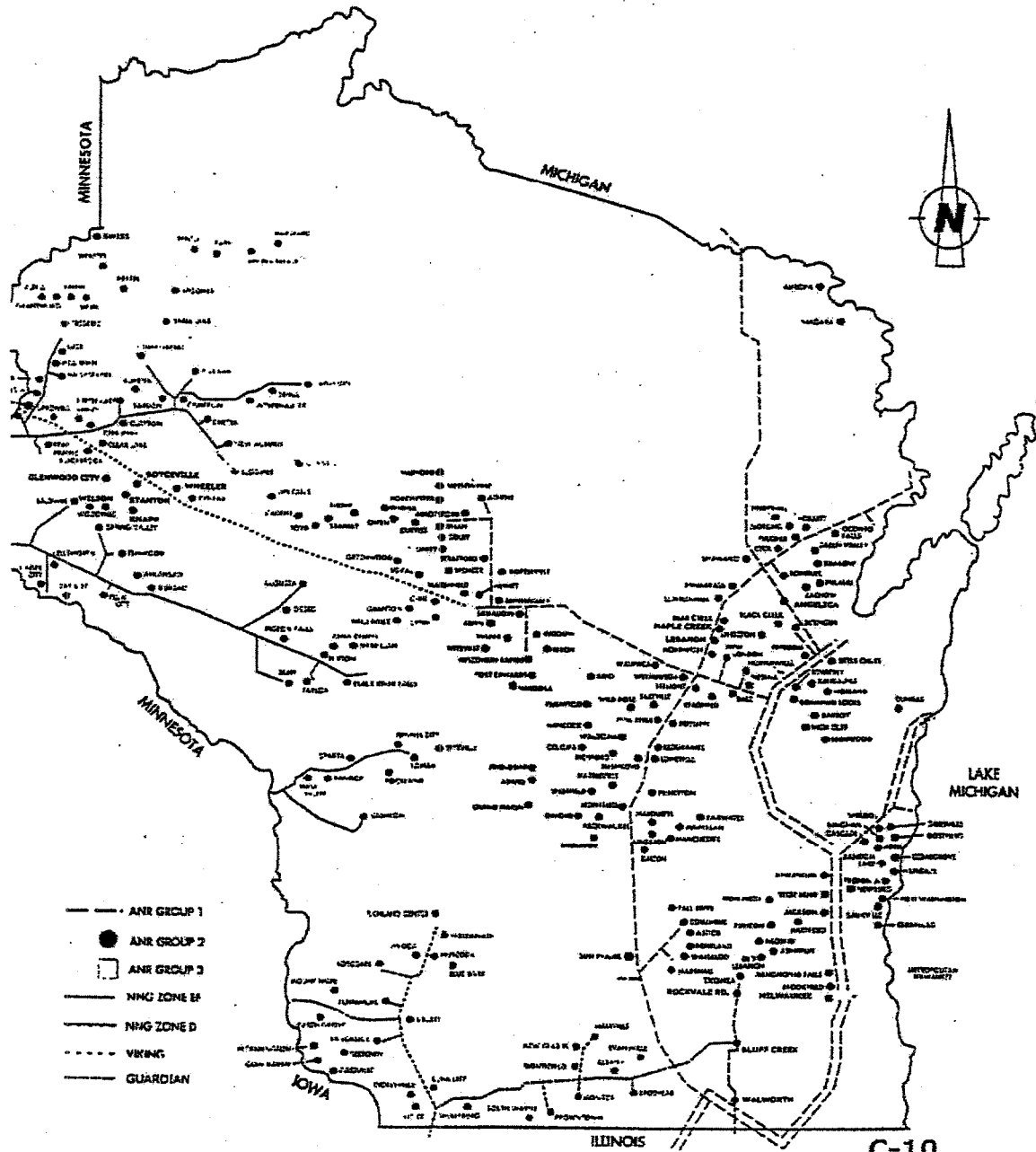
Number of meters should include only those carried in Utility Plant Account 381.

Particulars (a)	Number end of year (b)
Diaphragmed meters (capacity at 1/2-inch water column pressure drop):	
2,400 cu. ft. per hour or less	597,686
Over 2,400 cu. ft. per hour	-
Rotary meters	5,630
Orifice meters	24
Total end of year	603,340
In stock	20,671
Locked meters on customer's premises	1,030
Regular meters in customer's use	581,482
Prepayment meters in customer's use	-
Meters in company use, included in Account 381	157
Total end of year (as above)	603,340
No. of diaphragmed meters at end of year which compensate for temperature:	602,370
Number of house regulators installed at end of year	531,100

Attach to this sheet a map or maps of the territory served, showing location & company designation of points of purchase, production plants, large compressor stations and transmission lines. Show also the names of larger communities served and the boundaries of the utility's operating divisions.

See map on page G-22.1.

## WISCONSIN GAS COMPANY



## Hirschman-Herfindahl Index Form

Hirschman-Herfindahl Index Form			
Class	Schedules	HHI	Is the Utility the Provider With the Largest Market Share?
GS-1 Residential	GS-1	10,000	Yes
Small Commercial/Small Industrial Firm	CGS-1	8,850	Yes
Large Industrial Firm	LVF-1	2,676	No
Large Industrial Interruptible	I-1 thru I-5, NGV-1, ACD-1	2,510	No



## WATER OPERATING REVENUES AND EXPENSES (CLASS A &amp; B)

Complete duplicate pages W-1 for each separate water system and for total. Where customer's meters record cubic feet, multiply cubic feet by 7.48 to obtain number of gallons. Report estimated gallons for unmetered sales. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.

Particulars (a)	Avg. No. of Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)
System Name: Wisconsin Gas Water Services			
<b>OPERATING REVENUES</b>			
Sales of Water			
Unmetered sales to general customers (460):			
Residential		535	\$ 3,795
Commercial			
Industrial			
Total (460)		535	3,795
Metered sales to general customers (461):			
Residential	2,292	200,080	1,164,285
Commercial	200	79,457	146,397
Industrial			
Total (461)	2,492	279,537	1,310,682
Private fire-protection service (462)			19,066
Public fire-protection service (463)			410,293
Other sales to public authorities (464)			-
Sales to irrigation customers (465)			-
Interdepartmental sales (467)			-
Total sales to ultimate consumers	2,492	280,072	1,743,836
Sales for resale (466)			
Total sales of water	2,492	280,072	1,743,836
<b>OTHER OPERATING REVENUES</b>			
Forfeited discounts (470)			519
Miscellaneous service revenues (471)			225
Rents from water property (472)			-
Interdepartmental rents (473)			-
Other water revenues (474)			-
Total other operating revenues			744
Total operating revenues			1,744,580
<b>OPERATION AND MAINTENANCE EXPENSES</b>			
Source of supply expenses (600 - 617)			335,897
Pumping expenses (620-633)			1,863
Water treatment expenses (640-652)			28,529
Transmission and distribution expenses (660-678)			176,791
Customer accounts expenses (901-905)			93,461
Customer service expenses (907)			55,886
Sales promotion expenses (910)			-
Administrative and general expenses (920-935)			474,559
Total operation and maintenance expenses			1,166,986
Depreciation expense (403)			204,484
Amortization of utility plant (404-405)			-
Amortization of utility plant acquisition adjustment (406)			-
Amortization of property losses (407)			4,500
Taxes other than income taxes (408.1)			35,180
Income tax (benefit) (409.1)			135,000
Prov. Def. Income Tax (410.1-411.1)			(1,200)
Investment tax credits, adjustments (411.4)			-
Total operating expenses			1,544,950
Operating income			\$ 199,630

## OTHER OPERATING REVENUES

Complete duplicate pages for each separate water system.

Describe nature of miscellaneous revenues included in accounts 471, 472, 473, and 474, showing separate total for each account. Enter account number on total lines.

Particulars (a)		Acct. No. (b)	Amount (c)
System Name: Wisconsin Gas Water Services			
Revenue:			
Forfeited discounts		470	\$ 519
Miscellaneous Service Revenues	NSF fees	471	\$ 225
Rents from Water Property		472	
Other Water Revenues		474	
Total (470- 474)			\$ 744

## WATER OPERATION AND MAINTENANCE EXPENSES

Complete duplicate pages for each separate water system.

Particulars (a)	Amount (b)
System Name: Wisconsin Gas Water Services	
SOURCE OF SUPPLY EXPENSES	
Operation supervision and engineering (600)	
Operation labor and expenses (601)	\$ 4,327
Purchased water (602)	317,262
Miscellaneous expenses (603)	14,308
Rents (604)	
Maintenance supervision and engineering (610)	
Maintenance of structures and improvements (611)	
Maintenance of collecting and impounding reservoirs (612)	
Maintenance of lake, river and other intakes (613)	
Maintenance of wells and springs (614)	
Maintenance of infiltration galleries and tunnels (615)	
Maintenance of supply mains (616)	
Maintenance of miscellaneous water source plant (617)	
Total source of supply expenses	\$ 335,897
PUMPING EXPENSES	
Operation supervision and engineering (620)	
Fuel for power production (621)	
Power production labor and expenses (622)	
Fuel or power purchased for pumping (623)	
Pumping labor and expenses (624)	\$ 1,643
Expenses transferred — credit (625)	
Miscellaneous expenses (626)	
Rents (627)	
Maintenance supervision and engineering (630)	
Maintenance of structures and improvements (631)	
Maintenance of power production equipment (632)	
Maintenance of pumping equipment (633)	220
Total pumping expenses	\$ 1,863

## WATER OPERATION AND MAINTENANCE EXPENSES (Cont.)

Particulars (a)	Amount (b)
System Name: Wisconsin Gas Water Services	
Operation supervision and engineering (640)	
Chemical (641)	\$ 385
Operation labor and expenses (642)	
Miscellaneous expenses (643)	28,144
Rents (644)	
Maintenance supervision and engineering (650)	
Maintenance of structures and improvements (651)	
Maintenance of water treatment equipment (652)	
Total water treatment expenses	28,529
<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>	
Operation supervision and engineering (660)	30,987
Storage facilities expenses (661)	2,588
Transmission and distribution lines expenses (662)	26,817
Meter expenses (663)	16,946
Customer installations expenses (664)	
Miscellaneous expenses (665)	916
Rents (666)	
Maintenance supervision and engineering (670)	
Maintenance of structures and improvements (671)	
Maintenance of distribution reservoirs & standpipes (672)	
Maintenance of transmission and distribution mains (673)	94,890
Maintenance of fire mains (674)	
Maintenance of services (675)	
Maintenance of meters (676)	
Maintenance of hydrants (677)	3,647
Maintenance of Misc. Plant (678)	
Total transmission and distribution expenses	176,791
<b>CUSTOMER ACCOUNTS EXPENSES</b>	
Supervision (901)	
Meter-reading expenses (902)	43
Customer records and collection expenses (903)	73,252
Uncollectible accounts (904)	10,500
Miscellaneous customer accounts expenses (905)	9,666
Total customer accounts expenses	93,461
<b>CUSTOMER SERVICE EXPENSES</b>	
Customer service & information expenses (907)	55,886
<b>SALES PROMOTION EXPENSES</b>	
Sales promotion expenses (910)	0
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>	
Administrative and general salaries (920)	243,889
Office supplies and expenses (921)	94,307
Administrative expenses transferred -- credit (922)	(1,728)
Outside services employed (923)	2,313
Property insurance (924)	1,317
Injuries and damages (925)	2,614
Employee pensions and benefits (926)	116,005
Regulatory commission expenses (928)	7,097
Duplicate charges -- credit (929)	
Institutional or goodwill advertising expenses (930.1)	130
Miscellaneous general expenses (930.2)	8,615
Research and development expenses (930.3)	
Rents (931)	
Maintenance of general plant (935)	
Total administrative and general expenses	474,559
Total water operation and maintenance expenses	\$ 1,166,986

## WATER UTILITY PLANT IN SERVICE

Report in column (e) entries reclassifying property from one account to another.

Complete pages W-4, W-5, W-6, and W-7 for each separate water system and for total.

Accounts (a)		Balance First of Year (b)	Additions during Year (c)
System Name: Wisconsin Gas Water Services			
<b>INTANGIBLE PLANT</b>			
Organization (301)		\$ 786	\$ -
Franchises and consents (302)		-	-
Miscellaneous intangible plant (303)		-	-
Total intangible plant (301 - 303)		786	-
<b>SOURCE OF SUPPLY PLANT</b>			
Land and land rights (310)		223	-
Structures and improvements (311)		-	-
Coll. and impound. reservoirs (312)		-	-
Lake, river and other intakes (313)		-	-
Wells and springs (314)		154,535	-
Infiltra, galleries and tunnels (315)		-	-
Supply mains (316)		-	-
Other water source plant (317)		-	-
Total source of supply plant (310 - 317)		154,758	-
<b>PUMPING PLANT</b>			
Land and land rights (320)		10	-
Structures and improvements (321)		21,894	-
Boiler plant equipment (322)		-	-
Other power prod. equipment (323)		-	-
Steam pumping and equipment (324)		-	-
Electric pumping equipment (325)		209,428	-
Diesel pumping equipment (326)		-	-
Hydraulic pumping equipment (327)		-	-
Other pumping equipment (328)		15,490	-
Total pumping plant (320 - 328)		246,822	-
<b>WATER TREATMENT PLANT</b>			
Land and land rights (330)		-	-
Structures and improvements (331)		-	-
Water treatment equipment (332)		22,193	-
Total water treatment plant (330 - 331)		\$ 22,193	\$ -

## WATER UTILITY PLANT IN SERVICE (Cont.)

Wisconsin Gas Water Services				
Account Number (d)	Retirements during Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
301	\$ -	\$ -	\$ 786	
302	-	-	-	
303	-	-	-	
Total	-	-	786	
310	-	-	223	
311	-	-	-	
312	-	-	-	
313	-	-	-	
314	-	-	154,535	
315	-	-	-	
316	-	-	-	
317	-	-	-	
Total	-	-	154,758	
320	-	-	10	
321	-	-	21,894	
322	-	-	-	
323	-	-	-	
324	-	-	-	
325	-	-	209,428	
326	-	-	-	
327	-	-	-	
328	-	-	15,490	
Total	-	-	246,822	
330	-	-	-	
331	-	-	-	
332	-	-	22,193	
Total	\$ -	\$ -	\$ 22,193	

## WATER UTILITY PLANT IN SERVICE (Continued)

Accounts (a)	Balance First of Year (b)	Additions during Year (c)
System Name: Wisconsin Gas Water Services		
TRANSMISSION AND DISTRIBUTION PLANT		
Land and land rights (340)	\$ -	\$ -
Structures and improvements (341)	-	-
Distribution reservoirs & standpipes (342)	113,893	-
Transmission and distribution mains (343)	10,121,443	(40,956)
Fire mains (344)	-	-
Services (345)	765,412	189,531
Meters (346)	736,306	56,860
Meter installations (347)	-	-
Hydrants (348)	809,394	60,048
Other transmission & distribution plant (349)	-	-
Total trans. & distr. plant (340 - 348)	12,546,448	265,483
GENERAL PLANT		
Land and land rights (389)	-	-
Structures and improvements (390)	-	-
Office furniture and equip. (391)	35,341	-
Transportation equipment (392)	-	-
Stores equipment (393)	-	-
Tools, shop and garage equip. (394)	-	-
Laboratory equipment (395)	-	-
Power operated equipment (396)	-	-
Communication equipment (397)	164,335	16,866
Miscellaneous equipment (398)	-	-
Other tangible property (399)	-	-
Total general Plant (389 - 399)	199,676	16,866
Total above plant accounts (301 - 399)	13,170,682	282,349
Common plant allocated to water department (101 portion)		-
Total above including common plant	13,170,682	282,349
Grand Total	\$ 13,170,682	\$ 282,349

## TOTAL WATER UTILITY PLANT IN SERVICE (Continued)

Account Number (d)	Retirements during Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
340	\$ -	\$ -	\$ -	
341	-	-	-	
342	-	-	113,893	
343	93,143	-	9,987,344	
344	-	-	-	
345	-	-	954,943	
346	5,790	-	787,376	
347	-	-	-	
348	-	-	869,442	
349	-	-	-	
340-348	98,933	-	12,712,998	
389	-	-	-	
390	-	-	-	
391	-	-	35,341	
392	-	-	-	
393	-	-	-	
394	-	-	-	
395	-	-	-	
396	-	-	-	
397	-	-	181,201	
398	-	-	-	
399	-	-	-	
389-399	-	-	216,542	
301-399	98,933	-	13,354,098	
Common			-	
Total Incl. Common	98,933	-	13,354,098	
CCNC (106)			-	
Total	\$ 98,933	\$ -	\$ 13,354,098	

NOTE: Total Water Plant In Services on Pages W-4 through W-7  
excludes balance in Account 114 - Utility Plant Adjustments.

## ACCUMULATED PROVISION FOR DEPRECIATION OF WATER UTILITY PLANT

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Mequon Water Utility  Primary Plant Accounts (a)	Balance First of Year (b)	S.L. Dpr. Rate % Used (c)	Accruals during year	
			Straight Line Amount (d)	Additional Amount (e)
SOURCE OF SUPPLY PLANT				
Structures and improvements (311)	\$ -		\$ -	\$ -
Collect. & impoun. reserv. (312)			-	-
Lake, river & other intakes (313)			-	-
Wells and springs (314)	(33,156)	2.94%	4,545	-
Infiltra. gall. & tunnels (315)	-		-	-
Supply mains (316)	-		-	-
Other water source plant (317)	-		-	-
PUMPING PLANT				
Structures and improvements (321)	15,555	2.44%	534	-
Boiler plant equipment (322)	-		-	-
Other power prod. equip. (323)	-		-	-
Steam pumping equipment (324)	-		-	-
Electric pumping equipment (325)	149,278	4.42%	9,267	-
Diesel pumping equipment (326)	-		-	-
Hydraulic pumping equipment (327)	-		-	-
Other pumping equipment (328)	9,847	4.29%	665	-
WATER TREATMENT PLANT				
Structures and improvements (331)	-		-	-
Water treatment equipment (332)	8,455	6.00%	1,332	-
TRANS. & DISTR. PLANT				
Structures and improvements (341)	-		-	-
Distrib. reserv. & standp. (342)	54,373	1.87%	2,129	-
Transmiss. & distrib. mains (343)	367,876	0.93%	88,714	-
Fire mains (344)	-		-	-
Services (345)	131,205	2.09%	17,399	-
Meters (346)	73,499	5.03%	38,006	-
Meter installations (347)	-		-	-
Hydrants (348)	62,358	1.59%	13,227	-
Other transn. & distr. plant (349)	-		-	-
GENERAL PLANT				
Structures and improvements (390)	-		-	-
Office furniture and equip. (391)	21,598	5.83%	11,780	-
Transportation equipment (392)	-		-	-
Stores equipment (393)	-		-	-
Tools, shop, & garage equip. (394)	-		-	-
Laboratory equipment (395)	-		-	-
Power operated equipment (396)	-		-	-
Communication equipment (397)	31,409	10.00%	16,886	-
Subtotal	892,297		204,484	-
Retirement Work in Progress (108.20)	(5,044)		-	-
Total accumulated provision	\$ 887,253		\$ 204,484	\$ -



## ACCUMULATED PROVISION FOR DEPRECIATION OF WATER UTILITY PLANT (Cont.)

TOTAL Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Other Adjustments		Balance End of Year (k)
			Debit (i)	Credit (j)	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	39,426	-	-	-	(68,037)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	16,089
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	158,545
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	10,512
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	9,787
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	56,502
93,142	840	-	177	-	362,431
-	-	-	-	-	-
-	-	-	-	-	148,604
5,790	-	-	-	-	105,715
-	-	-	-	-	-
-	317	-	-	-	75,268
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	33,378
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	48,295
98,932	40,583	-	177	-	957,089
-	-	-	-	4,906	(138)
\$ 98,932	\$ 40,583	\$ -	\$ 177	\$ 4,906	\$ 956,951

May not cross-check due to rounding.

## DEPRECIATION SUMMARY

Particulars	Amount (b)
We-Energies Water Services.	
Total depreciation expense (page W-8 columns (d) and (e))	\$ 204,484
Less amounts charged to clearing accounts	
Amortization of CIAC	
Total water depreciation expense	204,484
Total reserve balance (page W-9 column k)	956,951
Total depreciation reserve for water utility	\$ 956,951

Explanation of items on page W-9 columns (i) and (j):

## POWER AND PUMPING EQUIPMENT

Use a separate column for each well or source.

Particulars	Well Pump	Well Pump	Service Pump	Service Pump
(a)	(b)	(c)	(d)	(e)
System Name: Wisconsin Gas Water Services	I	I	I	I
Identification of well or source where used	City of Mequon - #3 Lac du Cour River Rd	City of Mequon - #4 Grasslyn (Emergency)	City of Mequon - #5B Whitman (Reservoir)	City of Mequon - #5C Whitman (Reservoir)
Pumping Equipment:				
Year installed	1994	1993	1994	1994
Manufacturer	American Turbine	Bryon Jackson	Crane Deming	Crane Deming
Type (displacement, centrifugal, air lift, turbine)	Vertical Turbine	Centrifugal	Centrifugal	Centrifugal
Purpose (low lift, distribution, etc.)	Primary	Primary	Service Pump	Service Pump
Rated capacity (gallons per minute)			250	350
Actual capacity (gallons per minute)				
Average number of hours operated per day				
Actual discharge head (ft.)				
Power Equipment:				
Year installed	1987	1987	1994	1994
Manufacturer	US Electric	Franklin	U.S. Electric	U.S. Electric
Type (electric motor, water turbine, gas or oil engine)	Electric	Electric	Electric	Electric
Rated horsepower	50	15	20	30
Stand-by Equipment:				
Year installed				
Manufacturer				
Type				

## POWER AND PUMPING EQUIPMENT

Use a separate column for each well or source.				
Particulars (a)	Service Pump (b)	Well Pump (c)	Well Pump (d)	Well Pump (e)
System Name: Wisconsin Gas Water Services	I	I	I	I
Identification of well or source where used	City of Mequon - #51D Whitman (Reservoir)	Ville du Parc #1 Jonquil (Emergency)	Ville du Parc #2 Yvonne (Emergency)	Ville du Parc #3 River Rd. (Emergency)
Pumping Equipment:				
Year installed	1994	1994	1969	1993
Manufacturer	Crane Deming	Byron Jack	Byron Jack	Grundfo
Type (displacement, centrifugal, air lift, turbine)	Centrifugal	Vertical Turbine	Vertical Turbine	Vertical Turbine
Purpose (low lift, distribution, etc.)	Standby	Primary	Primary	Primary
Rated capacity (gallons per minute)	250	0	0	0
Actual capacity (gallons per minute)				
Average number of hours operated per day				
Actual discharge head (ft.)				
Power Equipment:				
Year installed	1994	1994	1969	1993
Manufacturer	Hercules	W/HDA Switch	W/HDA Switch	W/HDA Switch
Type (electric motor, water turbine, gas or oil engine)	Natural Gas	Electric	Electric	Electric
Rated horsepower	50	40	40	40
Stand-by Equipment:				
Year installed				
Manufacturer				
Type				

## POWER AND PUMPING EQUIPMENT

Use a separate column for each well or source.				
Particulars (a)	Well Pump (b)	Service Pump (c)	Service Pump (d)	Service Pump (e)
System Name: Wisconsin Gas Water Services				
Identification of well or source where used	Ville du Parc #1 Deertrail (Emergency)	East Corporate Park #1	East Corporate Park #2	East Corporate Park #3
Pumping Equipment:				
Year installed	1989	Unknown	Unknown	Unknown
Manufacturer	Grundfo	Jacuzzi	Jacuzzi	Jacuzzi
Type (displacement, centrifugal, air lift, turbine)	Vertical Turbine	Centrifugal	Centrifugal	Centrifugal
Purpose (low lift, distribution, etc.)	Primary	Booster	Booster	Booster
Rated capacity (gallons per minute)	250	350	350	750
Actual capacity (gallons per minute)				
Average number of hours operated per day				
Actual discharge head (ft.)				
Power Equipment:				
Year installed	1989	Unknown	Unknown	Unknown
Manufacturer	W/HDA Switch	U.S. Electric	U.S. Electric	U.S. Electric
Type (electric motor, water turbine, gas or oil engine)	Electric	Electric	Electric	Electric
Rated horsepower	25	30	30	75
Stand-by Equipment:				
Year installed				
Manufacturer				
Type				

## POWER AND PUMPING EQUIPMENT

Use a separate column for each well or source.

Particulars (a)	Service Pump (b)	Service Pump (c)	(d)	(e)
System Name: Wisconsin Gas Water Services	I	I		
Identification of well or source where used	Concord Reservoir #1	Concord Reservoir #2		
Pumping Equipment:				
Year installed	1979	1979		
Manufacturer	Layne	Layne		
Type (displacement, centrifugal, air lift, turbine)	Centrifugal	Centrifugal		
Purpose (low lift, distribution, etc.)	Service Pump	Service Pump		
Rated capacity (gallons per minute)	350	350		
Actual capacity (gallons per minute)				
Average number of hours operated per day				
Actual discharge head (ft.)				
Power Equipment:				
Year installed	1979	1979		
Manufacturer	Westinghouse	Westinghouse		
Type (electric motor, water turbine, gas or oil engine)	Electric	Electric		
Rated horsepower	20	20		
Stand-by Equipment:				
Year installed				
Manufacturer				
Type				

## POWER AND PUMPING EQUIPMENT

Use a separate column for each well or source.

Particulars (a)	(b)	(c)	(d)	(e)
System Name:				
Identification of well or source where used				
Pumping Equipment:				
Year installed				
Manufacturer				
Type (displacement, centrifugal, air lift, turbine)				
Purpose (low lift, distribution, etc.)				
Rated capacity (gallons per minute)				
Actual capacity (gallons per minute)				
Average number of hours operated per day				
Actual discharge head (ft.)				
Power Equipment:				
Year installed				
Manufacturer				
Type (electric motor, water turbine, gas or oil engine)				
Rated horsepower				
Stand-by Equipment:				
Year installed				
Manufacturer				
Type				

RESERVOIRS, STANDPIPES AND WATER TREATMENT PLANT				
Use separate columns for each reservoir, standpipe, or water treatment plant as the case may be, using insert sheets if necessary				
Particulars (a)	Unit (b)	Unit (c)	Unit (d)	Unit (e)
System Name: Wisconsin Gas Water Services				
Unit Name:				
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				
Identification number or name	Well #5 Whitman Place	East Corporate Park	Concord Place Reservoir	Ville du Parc Reservoir
Type (reservoir, standpipe or elevated tank)	Reservoir	Reservoir	Reservoir	Reservoir
Year constructed	1994	Unknown	Unknown	Unknown
Material (earthen, steel, concrete, etc.)	Concrete	Concrete	Concrete	Concrete
Elevation above nearest pumping station				
Distance from nearest pumping station				
Total capacity in gallons	100,000 gal	250,000 gal	100,000 gal	80,000 gal
WATER TREATMENT PLANT				
Function of plant -- filter, soften, etc.				
Aerators, type				
Disinfection type of equipment				
Number of Units				
Points of application				
Pounds per million gallons				
Coagulants, kind				
Pounds per million gallons				
Mixing units, type				
Flocculators, type				
Sedimentation basins, type				
Filters, type, slow, rapid				
Number of beds				
Rated capacity each, m.g.d.				
Zeolite units, number				
Rated capacity each, m.g.d.				
Percent of water by-passed				
Salt used, pounds per million gallons				
Hardness of water treated				
Corrosion control, chemical agent				
Pounds per million gallons				
Taste and odor control, agent				
Pounds per million gallons				
Is water fluoridated?				
Rated capacity of plant (m.g.d.)				

## RESERVOIRS, STANDPIPES AND WATER TREATMENT PLANT

Use separate columns for each reservoir, standpipe, or water treatment plant as the case may be, using insert sheets if necessary

Particulars (a)	Unit (b)	Unit (c)	Unit (d)	Unit (e)
System Name: We-Energies Water Services.				
Unit Name:	Mequon A	Mequon B	Mequon C	Mequon D
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				
Identification number or name	Marseilles	Concord	East Corporate	Whittman
Type (reservoir, standpipe or elevated tank)	Reservoir	Reservoir	Reservoir	Reservoir
Year constructed				
Material (earthen, steel, concrete, etc.)	Concrete	Concrete	Concrete	Concrete
Elevation above nearest pumping station				
Distance from nearest pumping station				
Total capacity in gallons	80,000	100,000	250,000	80,000
WATER TREATMENT PLANT	NA	NA	NA	NA
Function of plant -- filter, soften, etc.				
Aerators, type				
Disinfection type of equipment				
Number of Units				
Points of application				
Pounds per million gallons				
Coagulants, kind				
Pounds per million gallons				
Mixing units, type				
Flocculators, type				
Sedimentation basins, type				
Filters, type, slow, rapid				
Number of beds				
Rated capacity each, m.g.d.				
Zeolite units, number				
Rated capacity each, m.g.d.				
Percent of water by-passed				
Salt used, pounds per million gallons				
Hardness of water treated				
Corrosion control, chemical agent				
Pounds per million gallons				
Taste and odor control, agent				
Pounds per million gallons				
Is water fluoridated?		Yes	Yes	
Rated capacity of plant (m.g.d.)				

## SOURCES OF WATER SUPPLY - SURFACE WATERS

Description and Location (a)	Number (b)	Intakes Distance from Shore in Feet (c)	Depth below Surface in Feet (d)	Conduit	
				Type (e)	Size in Inches (f)
None					

## SOURCES OF WATER SUPPLY - GROUND WATERS

Description and location (if not in service denote with asterisk *) (a)	Identif- ication Number (b)	Depth in Feet (c)	Well Diameter in Inches (d)	Yield in Gallons per Day (e)	Pumping Method (Dir. Suction, Air Lift or Deep- well Pump) (f)
System Name: We-Energies Water Services.					
Emergency Well #2 Lac du Cour Subdivision	BG632	450	12"	NA	Deep Well
Emergency Well #1 Whitman Place Subdivision	GE931	400	10"	NA	Deep Well
Emergency Ville du Parc #6 (Jonquil) Deep Well 1963	BG637	350	12"	NA	Deep Well
Emergency Ville du Parc #4 (Yvonne) Deep Well 1969	AD933	300	12"	NA	Deep Well
Emergency Ville du Parc #3 (River Rd) Deep Well 1979	FX313	300	8"	NA	Deep Well
Emergency Ville du Parc #5 (Deer Trail) Deep Well 1989	AH722	575	8"	NA	Deep Well

## WATER MAINS

Report supply, transmission, distribution, and fire mains under separate captions and

report number of feet at end of year for each water system

Kind of Pipe (Cast Iron, Galv. Iron, Transite, etc.) (a)	Diameter in Inches (b)	No. of Feet (c)	No. of Feet (d)
System Name: We-Energies Water Services.			
Ductile Iron	6"		7,540
Ductile Iron	8"		549
Ductile Iron	12"		59
Plastic	4"		2,601
Plastic	6"		57,995
Plastic	8"		157,440
Plastic	10"		7,154
Plastic	12"		42,108
Plastic	16"		52,773
Total			328,219

## WATER SERVICES

Report number of services as of end of year for each separate water system.

Service Type (a)	Diameter in Inches (b)	No. of Services (c)	No. of Services (d)
System Name: Wisconsin Gas Water Services			
Copper	3/4"		58
Copper	1"		458
Copper	1-1/4"		10
Copper	1-1/2"		460
Copper	2"		7
Plastic	1-1/4"		158
Plastic	1-1/2"		44
Plastic	2"		225
Plastic	4"		3
Plastic	6"		26
Plastic	8"		8
Ductile Iron	8"		2
Unknown			637
Total			2,096
List separately the number of units and size of pipe supplying private fire-protection service:			
Total			2,096



## METERS

Include in Columns (b), (c), (d), and (f) meters in stock as well as those in service. Report in Column (c) all meters purchased during year and in Column (d) all meters junked, sold, or otherwise permanently retired during the year. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections. The total at line 60, Column (g) should agree with the total of Columns (f) and (g) at line 38.

System Name: Wisconsin Gas Water Services

Size of Meter (a)	Number of Meters Owned by the Utility					Number of Meters Owned by Customers in Use End of Year (g)
	First of Year (b)	Added during Year (c)	Retired during Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	
0.75"	2,424	44	(20)	0	2,488	
1.00"	232	32	(2)	0	266	
1.50"	62	3	(1)	0	66	
2.00"	24	2	0	0	26	
3.00"	5	1	0	0	6	
4.00"	2	0	0	0	2	
6.00"	1	0	0	0	1	
Total	2,750	82	(23)	0	2,855	

## CLASSIFICATION OF ALL METERS AT END OF YEAR BY CUSTOMERS

Size (a)	Residential (b)	Commercial (c)	Industrial (d)	In Public Use (e)	In Stock (f)	Total (See Head Note) (g)	Tested during Year (h)
System							
0.75"	2,247	127			114	2,488	
1.00"	226	32			8	266	
1.50"		29			37	66	
2.00"		25			1	26	
3.00"		3			3	6	
4.00"		2			0	2	
6.00"		0			1	1	
Unknown						0	
Total	2,473	218	0	0	164	2,855	0

## HYDRANTS

HYDRANTS			
Description Size of Branch or Valve Opening			
(a)	(b)	(c)	
System Name: Wisconsin Gas Water Services			
Fire Hydrants:			
2.5" - 4.5" Nozzle 5.5" Barrel including 6" Valve		656	
Distribution Valves (Not including hydrant valves)		773	
Flushing Hydrants:		2	
Other: Blow-Off Hydrants		35	
Total		1,466	

## SALES FOR RESALE

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
Total		0	0



